



Agenda Date: 10/3/08  
Agenda Item: 1C

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

AUDITS

IN THE MATTER OF THE DEPARTMENT  
OF COMMUNITY AFFAIRS' STATE  
FISCAL YEAR 2009 UNIVERSAL SERVICE  
FUND ADMINISTRATIVE COST BUDGET

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ORDER APPROVING  
BUDGET AMENDMENT

DOCKET NO. EO08060391

(SERVICE LIST ATTACHED)

BY THE BOARD:

The Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. (EDECA or the Act) established the Universal Service Fund (USF). The Act directed the New Jersey Board of Public Utilities (Board), inter alia, to determine for the USF the level of funding, the appropriate administration, and the purposes and programs to be funded. N.J.S.A. 48:3-60(b).

By Order dated April 30, 2003, in Docket No. EX00020091 (April 2003 Order), the Board approved a permanent USF program to ensure that low-income customers have access to more affordable energy. The Board ordered that the program be operated on a state-wide basis and funded through uniform charges on customers' electric and natural gas bills through the Societal Benefits Charge collected pursuant to N.J.S.A. 48:3-60(a). The Board also determined in this Order that initial administrative expenses would be capped at ten per cent (10 %) of the program costs or \$3 million. Further, the Board determined it must approve additional expenses.

By Order dated July 16, 2003, in Docket Number EX00020091, the Board designated the Department of Human Services (DHS) as the USF Administrator. By Order dated October 23, 2006, in Docket Number EX00020091, the Board changed the USF program administrator from DHS to the Department of Community Affairs. By Order dated July 12, 2007, in Docket Number EO07060368, the Board approved the State Fiscal Year 2008 (FY 2008) DCA USF administrative cost budget in the amount of \$4,458,281. This budget represented the first full year that DCA served as the Board's USF program administrator. By Order dated July 21, 2008, in Docket Number EO08060391, the Board approved the State Fiscal Year 2009 (FY 2009) DCA USF administrative cost budget in the amount of \$5,284,228.

In March and April of 2008 certain food stamp households who have not historically been screened for USF eligibility were erroneously screened and USF benefits were provided to certain households which may not have been eligible. The Board discussed this matter at its July 11, 2008 and July 30, 2008 agenda meetings. Board Staff has initiated a process with stakeholders to determine whether the Board's process for screening food stamp recipients should be modified.

In response to a July 11, 2008 request by the Board for public comment, several commenters suggested using New Jersey SHARES (NJ SHARES) to conduct outreach to the impacted households and assist them in understanding the eligibility criteria for USF. NJ SHARES is a state-wide non-profit organization, located in New Jersey, which provides assistance to individuals and families who need temporary help in paying their energy bills because of a short-term financial crisis.

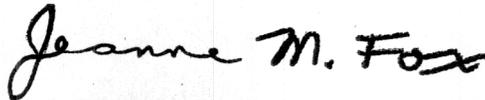
By letter dated, September 24, 2008, DCA requested an additional \$7,000 be added to the FY 2009 USF budget to conduct an outreach program to target a limited group of food stamp households residing in public housing that may have a higher probability of being USF eligible because of their demonstrable low-income status. DCA proposes conducting the above outreach through NJ SHARES. DCA chose NJ SHARES through its SAGE Grant process. The target household group has been selected because they reside in public housing, which indicates they are in a low-income bracket. While the target group is low-income, the income criteria for public housing does not match the income criteria for USF. Accordingly, additional information is needed to determine whether any household in this group may be eligible for USF and the proposed outreach program is a further effort to obtain the additional information needed to determine USF eligibility for this group.

The Board HEREBY APPROVES DCA's request for an additional \$7,000 to be added to the FY 2009 USF administrative budget cost for outreach as discussed above. Therefore, the amended FY 2009 USF administrative cost budget approved by the Board is \$5,291,228.

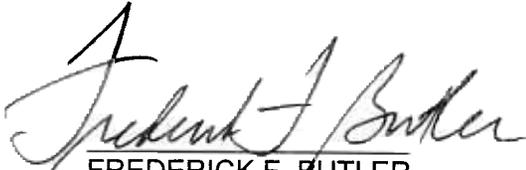
DCA is required to provide invoices to justify this and all expenditures associated with the administration of the USF program.

DATED: 10/21/08

BOARD OF PUBLIC UTILITIES  
BY:



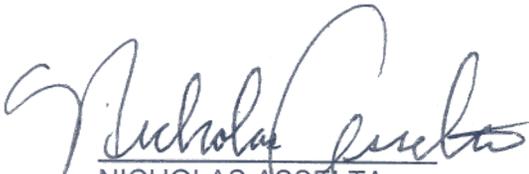
JEANNE M. FOX  
PRESIDENT



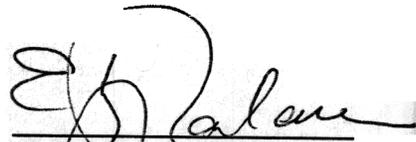
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COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER



NICHOLAS ASSELTA  
COMMISSIONER



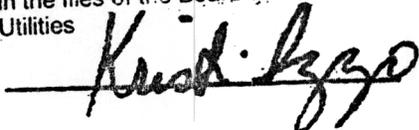
ELIZABETH RANDALL  
COMMISSIONER

ATTEST:



KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



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STATE FISCAL YEAR 2009 UNIVERSAL SERVICE  
FUND ADMINISTRATIVE COST BUDGET  
DOCKET NO. EO08060391

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