



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE REQUEST TO MODIFY
THE RENEWABLE ENERGY BUSINESS VENTURE
ASSISTANCE PROGRAM AWARD RECOVERABLE)
GRANT AWARD TO EPV SOLAR, INC. TO BE ISSUED)
THROUGH THE NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY – AMENDED AND
RESTATED STATEMENT OF WORK)

ORDER

DOCKET NO.EO08010010

(SERVICE LIST ATTACHED)

BY THE BOARD:

By Order dated February 5, 2008, in the above docketed matter the Board authorized, a \$499,795 Recoverable Grant Award for EPV Solar, Inc. (EPV or the Company) (formerly Energy Photovoltaics, Inc.) through the Renewable Energy Business Venture Assistance Program (REBVAP) administered jointly with the New Jersey Economic Development Authority (NJEDA) and the Board of Public Utilities (the Board). This funding is for EPV's project to further develop and enhance a silicon-based thin film photovoltaic technology.

By letter dated April 15, 2008, EPV submitted a modification request to the NJEDA requesting modifications to the Payment of Funds, Terms and Repayment of the Award sections and elimination of the Business Assets Lien section. On October 3, 2008, following receipt of a revised recommendation from the NJEDA and a recommendation from Staff, the Board approved modifications to the Funding Agreement removing the requirement for the blanket lien on EPV's business assets and permitting modification of the Term and Repayment provision to provide for repayment based on 2% of revenues with payments to commence in 2009 and ending 2018. The Board memorialized its approval in an Order dated October 23, 2008. On October 30, 2008, the EDA sent the revised Funding Agreement to EPV for its review and signature.

On January 8, 2009, the Office of Clean Energy (OCE or Staff) received a request from EPV to approve an Amended and Restated Statement of Work and to approve a modification to the approved budget of \$140,580. In support of its proposed modifications, the Company states that “[t]hrough work in the BIPV market since November 2007, it has been determined that the total available market becomes vastly expanded if semi-transparent PV modules can be cost effectively delivered to the end user.” The Company proposes several additional specific technical tasks and also additional tasks related to testing and certification of its product with the goal of improving its capability to meet what it believes is an expanded market opportunity.

EPV also seeks approval of shifting the \$140,580 originally budgeted for Equipment to other lines items including \$138,867 to the line items for Personnel Salary and Fringe Benefits.

The NJEDA, after review of the proposed modifications and the relevant supporting financial documentation, issued a revised recommendation dated February 27, 2009, which states that:

The Company has undergone a restructuring over the past two years that resulted in decreased revenue and increased losses. This is mitigated by the fact that EPV obtained a significant increase in contracts, from 185 MW at the time of approval to 750 megawatts currently, and will significantly increase its production capabilities in 2009 to meet this growing demand. In addition, the proposed modifications will assist EPV in reducing its costs and increasing its production.

NJEDA recommended approval of the modification to the SOW as proposed and that all other terms and conditions remain unchanged.

The Office of Clean Energy has reviewed the revised EDA recommendation and determined that: the modifications are reasonable; the agreement is consistent with the requirements of the REBVAP program solicitation and will not increase the recoverable grant. Staff recommends that the Statement of Work and the budget be modified consistent with NJEDA's revised recommendation as set forth above.

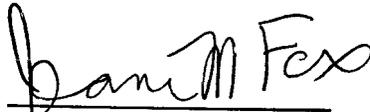
FINDINGS AND CONCLUSIONS

Having reviewed the proposed modifications to the terms and conditions of the Funding Agreement as set forth herein, and having reviewed Staff's recommendation, the Board **FINDS** that the modifications are reasonable, the agreement is consistent with the requirements of the REBVAP program solicitation and will not increase the recoverable grant award. The Board further **FINDS** that the recommended modifications do not change the scope, timing or amount of Board's commitment for completion of this project consistent with the grant solicitation and are consistent with the goals and objective for business development and market transformation in the Clean Energy Program. Therefore, the Board **APPROVES** modification of the terms and

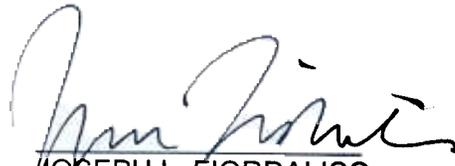
conditions approved in the Board's Orders of February 5, 2008 and October 23, 2008 as set forth herein and that all other terms and conditions remain unchanged, and further **APPROVES** incorporating the modified terms into the Funding Agreement. The Board also **AUTHORIZES** President Fox to sign the Funding Agreement consistent with the terms of this Order.

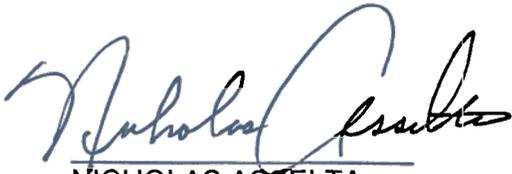
DATED: 3/12/09

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
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

