



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

CLEAN ENERGY

IN THE MATTER OF PROGRAM COORDINATOR)
 APPLIED ENERGY GROUP, INC. (AEG) – LINE ITEM) ORDER
 TRANSFER FOR 2010 PROGRAM COORDINATION)
 SERVICES FOR THE CLEAN ENERGY PROGRAM)
 CONTRACT # 68922) DOCKET NO. EO07030203

BY THE BOARD:

This Order adjusts AEG's 2010 budgets for the Clean Energy Program as approved by the Board in its Order dated December 16, 2009. OCE is requesting a line item transfer of \$748,020 from Administration to the Rebate Processing, Inspections, and Other Quality Control component of its 2010 budget.

BACKGROUND AND PROCEDURAL HISTORY

Applied Energy Group ("AEG") was engaged by the Board to provide Program Coordinator services, Contract No. A68922. By Order dated December 16, 2009, Docket No. EO07030203, the Board approved 2010 programs and budgets. The OCE Oversight component of the budget included a budget for the Program Coordinator services provided by AEG.

	Total	Administration and Program Development	Sales, Call Centers, Marketing and Website	Training	Rebates, Grants, and Other Direct Incentives	Evaluation and Related Research
Program Coordinator	\$2,400,000.00	\$1,746,064.00	\$534,936.00			\$119,000.00

AEG's contract with the Board includes several contract lines relating to invoice processing and quality assurance which were erroneously assigned to Administration and Program Development. Specifically, Contract Line 6 for Biweekly Review of Rebate and Incentive

Payment Request Processing, Contract Line 18 for Quality Assurance Evaluation and Inspection, and Contract Line 30 for Monthly Review of Payment Requests belong in the budget line for Rebates, Grants, and Other Direct Incentives. These three contract lines total \$62,335 per month or \$748,010 per year.

The Rebates, Grants and Other Direct Incentives budget component currently contains no funds against which to charge the fees incurred for the above contract lines. These charges are wholly attributable to the processing of incentives and the quality assurance of programs approved by the Board in its order approving programs and budgets for the New Jersey Clean Energy Program in calendar year 2010.

PROPOSED BUDGET MODIFICATIONS

By memo dated February 19, 2010 AEG requested a line item transfer indicating that AEG's detailed 2010 budget wrongly attributes the cost of three contract lines to Administration and Program Development rather than to Rebates, Grants, and Other Direct Incentives. Fees for the services covered by these contract lines are charged against the Rebates component of the budget which currently contains no funds against which to discharge these costs.

Based on the above, AEG is requesting a line item transfer of \$748,020 from Administration to the Rebate Processing, Inspections, and Other Quality Control component of its 2010 budget.

The proposed line-item transfer represents a minor budget adjustment which is necessary to align program budgets with contract prices previously approved by the Board and Treasury. The proposed revision does not modify the overall program budgets approved by the Board. Staff has reviewed AEG's requests for the line-item transfer and recommends the requests be approved by the Board.

DISCUSSION AND FINDINGS

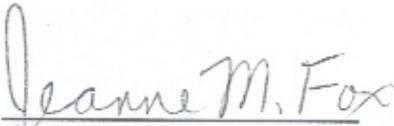
The Board **HEREBY FINDS** that the requested line-item transfer to the budget proposed by AEG do not modify the overall program budgets approved by the Board in its December 16, 2009 Order. The Board **FURTHER FINDS** that the proposed changes to the detailed budgets are reasonable and necessary and reflect the appropriate allocation of the fees for services provided by AEG as Program Coordinator, as approved by the Board and Treasury in July 2009. Therefore, the Board has reviewed the changes to the detailed budget proposed by AEG and **HEREBY APPROVES** the revised detailed budget for AEG as set out in the table below.

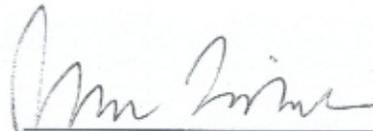
	Total	Administration and Program Development	Sales, Call Centers, Marketing and Website	Training	Rebate Processing, Inspections, and Other Quality Control	Evaluation and Related Research
Program Coordinator	\$2,400,000.00	\$998,044.00	\$534,936.00		\$748,020.00	\$119,000.00

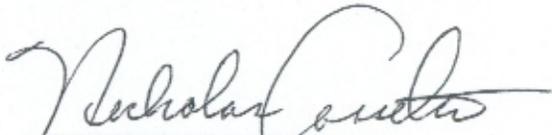
DATED: 3/24/10

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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

