

Request for Comments

To: Interested Stakeholders

From: Elizabeth Ackerman, Acting Director

Subj: Request for Comments on Proposed Modifications NJCEP Program Administration Budget

Date: June 20, 2014

By Order dated February 4, 2014 the Board authorized Staff to make modifications to NJCEP budgets provided certain conditions were met. Specifically, the Board authorized Staff to modify NJCEP budgets within a given Funding Category, such as EE, RE, EDA, etc., provided that the reallocation does not reduce a program's budget by more than 10% within any 60 day period.

The Order requires Staff to provide a written notice to each Commissioner at least seven days prior to implementing any budget modification which Staff has done. The Order also requires Staff to circulate proposed budget modifications for comment prior to implementing the proposed changes which is the purpose of this request for comments.

By letter dated June 17, 2014, AEG notified Staff that it provided a level of services in FY14 that exceeded what was estimated when its budget was established, primarily related to supporting the various working groups that resulted from the Board's CRA Order, and supporting an audit related to the ARRA programs. AEG estimated that its fees for FY14 will exceed its Board approved budget due to these additional services. AEG noted that its estimated fees and its proposed budget both remain below the level of fees provided for in its contract with the State.

AEG requested that \$33,733 be transferred from the OCE Staff and Overhead budget to the Program Coordinator budget. AEG is also proposing to transfer funds between budget categories within the Program Coordinator budget, from budget categories that are under budget to budget categories that are estimated to be over budget as shown in the table below. The funds remaining in the OCE Staff and Overhead budget are estimated to be sufficient to pay anticipated expenses.

The following table shows the current budget, the proposed amount of the transfer and the resultant budget:

Proposed Revisions to FY14 NJCEP Administration Budget				
Program	Current FY14 Budget	Proposed Transfer	Proposed FY14 Budget	Date of Last Change
OCE Staff and Overhead	\$3,076,659.54	(\$33,733.00)	\$3,042,926.54	NA
Program Coordinator	\$1,862,870.58	\$33,733.00	\$1,896,603.58	NA
Total	\$4,939,530.12	\$0.00	\$4,939,530.12	

The following table shows the current Program Coordinator budget, the proposed budget and the variance between the two broken down by the various budget categories:

Proposed Revisions to Program Coordinator FY14 Budget					
Program Coordinator	Total	Administration and Program Development	Sales, Call Centers, Marketing and Website	Rebate Processing, Inspections, and Other Quality Control	Evaluation and Related Research
Current FY14 Budget	\$1,862,870.58	\$512,694.58	\$534,936.00	\$765,240.00	\$50,000.00
Proposed FY14 Budget	\$1,896,603.58	\$588,197.58	\$534,936.00	\$766,470.00	\$7,000.00
Variance	\$33,733.00	\$75,503.00	\$0.00	\$1,230.00	(\$43,000.00)

Comments regarding the proposed budget modification should be submitted to:

publiccomments@njcleanenergy.com

by COB June 26, 2014 with the subject heading "Proposed Modifications to the EE Program Budget"