

BUDGET JUSTIFICATION

1. **PERSONNEL** :

a. Identify, by title, each position to be supported under the proposed award.
No positions will be supported by the SEP-ARRA funding.

b. Briefly specify the duties of professionals to be compensated under this project.
N/A

2. **FRINGE BENEFITS** –

N/A

3. **TRAVEL** - Identify total Foreign and Domestic Travel as separate items. \$0 for Domestic Travel \$0 for Foreign Travel

a. Indicate the purpose(s) of proposed travel.

There will be no charge for Travel under the SEP-ARRA budget.

b. Specify the basis for computation of travel expenses (e.g., current airline ticket quotes, past trips of a similar nature, federal government or organization travel policy, etc.).

No Travel expenses will be charged to the SEP-ARRA funds.

4. **EQUIPMENT** – as defined in 10 CFR 600.202. Definitions can be found at http://www.access.gpo.gov/nara/cfr/waisidx_00/10cfr600_00.html.

a. Provide the basis for the equipment cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

Not Applicable

b. Briefly justify the need for items of equipment to be purchased.

Not Applicable

5. **MATERIALS AND SUPPLIES** – as defined in 10 CFR 600.202. Definitions at http://www.access.gpo.gov/nara/cfr/waisidx_00/10cfr600_00.html.

- a. Provide the basis for the materials and supplies cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

N/A

- b. Briefly justify the need for items of material to be purchased.

6. **CONTRACTS AND SUBGRANTS** – All other participant costs including subcontractor, sub-grants, and consultants. Additional subcontractors, sub-grants and consultants not already identified below but included in the programs are not yet known. These entities will be chosen through a RFP and or a solicitation in accordance with New Jersey’s procurement regulations. An Intergovernmental Agreement/Memorandum of Understanding will be issued between the New Jersey Board of Public Utilities and the Agencies which will be managing the projects.

- New Jersey’s Office of Energy Savings - Energy Efficiency on State Buildings – The New Jersey Board of Public Utilities will enter into an Intergovernmental Agreement/Memorandum of Understanding with New Jersey’s Office of Energy Savings. Recipients of funding and the amount will be determined by the Office of Energy Savings.
- Grant for Energy Efficiency, Renewable Energy and Alternative Energy Applications – The Board of Public Utilities will enter into a Intergovernmental Agreement/Memorandum of Understanding with the Economic Development Authority. Recipients of Grants and Loans and amount will be determined through a competitive solicitation process.

<u>Project Name</u>	<u>Total Cost</u>	<u>Basis of Cost*</u>
New Jersey’s Office of Energy Savings - Energy Efficiency on State Buildings	\$6,000,000	quote
Economic Development Authority –Grants for Energy Efficiency, Renewable Energy and Alternative Energy Applications	\$15,000,000	competitive

* For example—Competitive, Historical, Quote, Catalog

7. OTHER DIRECT COSTS -

The following are application based programs and multiple rebates/loans will be provided:

- Grants for State-Sponsored Renewable Energy and Energy Efficiency Projects - This is an application based program and the recipients of the rebates will be determined through a solicitation. The BPU will release an application for qualifying State entities to apply. The review of these applications will be done by an evaluation committee that will consist of representatives from: the BPU, EDA, the Office of Economic Growth, the Commission on Science and Technology, the Office of Energy Savings, and the Governor's Office. The level of the grant for each selected project will be determined by the evaluation committee.
- Financing Program for Residential Solar- The Board of Public Utilities will enter into an Intergovernmental Agreement/Memorandum of Understanding with the New Jersey Housing and Mortgage Finance Agency. Recipients of the financing will be determined by HMFA in accordance with program guidelines. The New Jersey Housing and Mortgage Finance Agency (HMFA) will use the funds to supply funds to construct solar energy projects on income-qualified multifamily buildings across the State in exchange for ownership of the Solar Renewable Energy Certificates.
- Financing Program for Residential Energy Efficiency – The Board of Public Utilities will enter into an Intergovernmental Agreement/Memorandum of Understanding with The New Jersey Housing and Mortgage Finance Agency. The funds will be dedicated to the HMFA to supply financing to single-family and multifamily (1-4 units) owners to make energy efficiency upgrades to their buildings. Recipients of the loan will be determined based upon applications received and in accordance with program guidelines. The amount of the financing will be determined based upon audits conducted through the Clean Energy Program's Home Performance with Energy Star program.
- Multi Family Energy Efficiency Improvement Program – The Board of Public Utilities will enter into an Intergovernmental Agreement/Memorandum of Understanding with the New Jersey Housing and Mortgage Finance Agency. Recipients of the loan will be determined based upon applications received and in accordance with program guidelines. Funds will be dedicated to the HMFA to supply financing to multi family property owners. The amount of the loan will be determined based upon an audit conducted through the Clean Energy Program.
- Energy Efficiency Programs through the Clean Energy Program –These funds will be coordinated with the Clean Energy Program's existing efforts, and any other statewide or regional energy efficiency program that is created in the State. The purpose of these funds will be to make energy efficiency funds available to customers that are currently not eligible for incentives, or customers whose

energy consumption patterns do not make them likely applicants. This is an application based program and the recipients of the rebates will be determined upon application.

<u>Project Name</u>	<u>Total Cost</u>
Grants for State-Sponsored Renewable Energy and Energy Efficiency Projects	\$20,643,000
New Jersey Housing & Mortgage Finance Agency – Financing Program for Residential Solar	\$7,000,000
New Jersey Housing & Mortgage Finance Agency - Financing Program for Residential Energy Efficiency	\$4,000,000
New Jersey Housing & Mortgage Finance Agency - Multi Family Energy Efficiency Improvement Program	\$4,000,000
Energy Efficiency Programs through the Clean Energy Program	\$17,000,000

8. INDIRECT COSTS -

Not Applicable

9. CARRYOVER FUNDS –

Not Applicable