



Agenda Date: 3/12/12  
Agenda Item: 8B

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CLEAN ENERGY

IN THE MATTER OF THE EDISON INNOVATION )  
GREEN GROWTH FUND SOLICITATION – AWARD ) ORDER  
RECOMMENDATION – FIELDVIEW SOLUTIONS, INC. ) DOCKET NO. EG10020126 &  
) EG12020144V

Parties of Record:

**Frank Dirla, Jr. CEO**, Fieldview Solutions, Inc.

BY THE BOARD

On May 23, 2011, the Board's Office of Clean Energy ("OCE" or "Staff"), in collaboration with the New Jersey Economic Development Authority ("EDA") as administrator of the Edison Innovation Greer Growth Fund ("EIGGF"), issued a Solicitation for the EIGGF Program. The Solicitation included an announcement about the availability of loans with a performance grant component to Class I Renewable or Energy Efficient clean technology companies that have achieved "proof of concept," successful, independent beta results, and are seeking funding to grow and support their technology business.

The EIGGF will ultimately provide New Jersey consumers with greater access to energy efficiency and renewable energy products by developing emerging technologies in New Jersey. The funds may be used as growth capital to advance energy efficient, renewable energy or supply chain products that will assist Class I renewable energy or energy efficient technologies in becoming competitive with traditional sources of electric generation. To qualify, a company must be a developer/owner of protected proprietary technology, demonstrate a commitment to creating jobs in New Jersey, and satisfy other criteria.

Total funds that can be awarded under the EIGGF program cannot exceed \$1,000,000 per company. The interest rate is fixed at two percent (2%). There is a twelve-month moratorium with interest to be accrued and capitalized followed by a four-year term and seven-year amortization. In addition, fifty percent (50%) of the loan may be converted into a performance grant if milestones are satisfied during the first five years. At closing, twenty percent (20%) of the loan will be advanced, with the remainder paid upon completion of milestones.

On December 22, 2010, the Board approved and signed the “New Jersey Clean Energy Program 2011 Program Descriptions and Budgets” Order (Docket Nos. EO07030203 & EO10110865). Of the \$33 million approved for EDA programs for 2011, \$4.0 million was budgeted for the EIGGF program. The EIGGF Solicitation was launched on May 23, 2011, but the Board did not grant any EIGGF awards in 2011.

On December 14, 2011, the Board approved the New Jersey Clean Energy Program 2012 Program Descriptions and Budgets Order, Docket Nos. EO07030203 & EO11100631V. The Board approved approximately \$4 million in carryover funds for the EIGGF program in 2012.

On May 5, 2011, Fieldview Solutions, Inc. (“FSI”) submitted an EIGGF Intake Form. The Intake Form received a favorable OCE technical review. On September 26, 2011 FSI submitted a full EIGGF application to the EDA

On November 1, 2011, FSI gave its oral presentation to certain members of the Clean Technology Advisory Committee (“CTAC”).<sup>1</sup> On December 9, 2011, FSI made a presentation to those members of the Office of the Business Ombudsman and Office of Clean Energy (“OCE”) who were unable to attend the CTAC meeting. At the request of CTAC, FSI agreed to provide additional customer documentation detailing the energy efficiency savings as a result of the FSI software. Ultimately, CTAC recommended the application for underwriting analysis and due diligence review by EDA.

On February 22, 2012, after completing its underwriting review, the EDA submitted the attached Project Summary report recommending that the Board approve \$1.0 million in EIGGF financial assistance to FSI.

### **The Fieldview Solution Project**

FSI is currently headquartered in Edison and has 20 employees in New Jersey. Its main product offering is the “FieldView” software suite, which has been designed to monitor the critical points of disparate data center and MEP systems including power usage, circuit balancing, over current conditions, phase imbalance, temperature and capacity. It is a web-based, scalable application that can communicate with a broad range of devices including Modbus, SNMP, XML, OPC, BACnet and BSM power monitoring systems.

- FSI stated that the software produces actionable data that can reduce energy consumption by at least 10%. FieldView is currently installed in more than 50 data centers nationwide, of which, 26 are located in New Jersey and consume more than 350 megawatts of energy per year. Assuming the software generates FSI’s claimed 10% minimum reduction in energy consumption for its installed customer base, its customer base experiences a reduction in carbon dioxide emissions by 172,000 metric tons and reduction the annual consumption of electricity by more than 260,000 MWh in New Jersey.

FSI has committed to creating 14 jobs in New Jersey within two years of getting the proposed funding.

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<sup>1</sup> The advisory committee includes various government agencies and private sector members with applicable industry experience, all of whom signed confidentiality agreements.

While FieldView's main operation is to optimize the efficient use of the data servers, this leads to secondary energy savings because smaller systems need less energy to run and cool. This secondary energy savings may result in an expansion of FSI's main operation to include energy consultant services.

FSI seeks \$10 million in EIGGF funding for general growth capital needs including research and development, hiring and training personnel, marketing and purchasing inventory.

Staff has reviewed the CTAC's comments on the FSI project. Staff has also reviewed the underwriting analysis and due diligence review prepared by EDA which recommends \$1.0 million in EIGGF assistance for the FSI project. Based on its review of the FSI project and the documents identified above, Staff recommends the Board award \$1.0 million in EIGGF assistance to FSI, for the project described in the attached Project Summary.

### **DISCUSSION AND FINDING**

The EIGGF Program supports manufacturing of energy efficient and renewable energy products that will assist Class I renewable energy technologies in becoming competitive with traditional sources of electric generation. This support is consistent with the energy and environmental goals of the 2011 Energy Master Plan issued in December 2011. In addition, the Program will ultimately benefit New Jersey's ratepayers by providing long-term energy needs and solutions in an environmentally sound manner.

The Energy Master Plan calls for increasing the number of green jobs in New Jersey by encouraging expansion of current manufacturers and providing sufficient incentives for other manufacturers to locate in New Jersey; stimulating economic development in the New Jersey's renewable energy and energy efficiency sector through demand for goods and services by manufacturers; and increasing the volume of renewable energy and energy efficient products manufactured in New Jersey and sold to New Jersey consumers.

With assistance from the EIGGF program, FSI expects to create 14 new jobs in New Jersey within two years. The Board **FINDS** that the economic development benefits projected by FSI are consistent with the objectives of the EIGGF Program.

Upon consideration of the facts set forth above, the Board **FINDS** that the Solicitation for the EIGGF was issued to the public on May 23, 2011. The Board **FURTHER FINDS** that the CTAC reviewed the application of FSI consistent with the stated evaluation criteria set forth in the Solicitation and recommended FSI for an award. The Board **FINDS** that EDA conducted an underwriting review of FSI's application and recommended a Loan of \$1.0 million as described in the attached EDA Project Summary. The Board **FINDS** that an award of \$10 million to FSI is an appropriate and proper expenditure of ratepayers' funds.


Now, therefore, the Board **HEREBY ACCEPTS** the CTAC Report and, based on Staff's recommendation, **HEREBY APPROVES** a Loan of \$1.0 million to FSI in accordance with relevant terms and conditions herein and the recommendation issued by the EDA. The Board **ORDERS** that commitment letters, consistent with the terms of this Order, be issued to FSI by the Board's OCE Director in coordination with appropriate EDA staff. The Board **AUTHORIZES** President Hanna to sign the Loan Funding Agreements, the form of which was previously approved by the Board on March 12, 2009 in Docket No. EO08070470, consistent with the

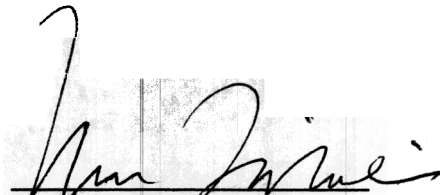
terms of this Order and the Department of Treasury requirements. The Board also **AUTHORIZES** President Hanna to review and approve matters within the scope of Section VII(B) of the Memorandum of Understanding between BPU and EDA dated March 24, 2011, consistent with the terms of this Order, subject to Board review as necessary.

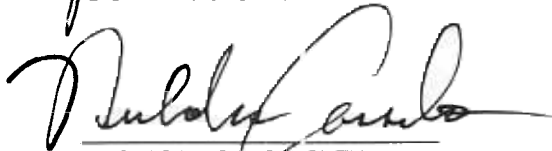
DATED: 3/12/2012

BOARD OF PUBLIC UTILITIES  
BY:

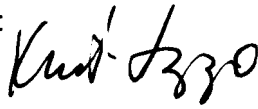
  
ROBERT M. HANNA  
PRESIDENT

  
JEANNE M. FOX  
COMMISSIONER

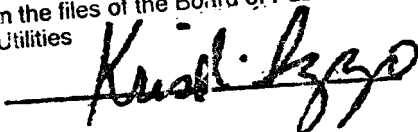
  
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COMMISSIONER

  
NICHOLAS ASSELTA  
COMMISSIONER

  
MARY-ANNA HOLDEN  
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



I/M/O the Edison Innovation Green Growth Fund (EIGGF) Solicitation – Award  
Recommendation – Fieldview Solutions, Inc.

Docket Numbers EG10020126V & EG12020144V

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Frank Dirla  
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Fieldview Solutions, Inc.  
227 Raritan Center Parkway  
Edison, NJ 08837

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**PROJECT SUMMARY - CLEAN ENERGY PROJECT FINANCING FOR BUSINESSES PROGRAM**

**APPLICANT:** FieldView Solutions, Inc.

P37301

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 275 Raritan Center Parkway Edison Township (N) Middlesex

**GOVERNOR'S INITIATIVES:** ( ) Urban (X) Edison ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

FieldView Solutions, Inc. ("FSI" or the "Company") was formed in 2009 as a provider of software technology that has been designed to generate greater operating efficiencies and to reduce the large energy demands of data centers. The Company stated that the software produces actionable data that can reduce energy consumption by at least 10% per year. As a result, the software has the potential to assist in significantly reducing energy consumption and carbon dioxide emissions in New Jersey due to the concentration of data centers in the State. Cf note, FSI's software is currently installed in 26 data centers in New Jersey that consume more than 350 megawatts of energy per year. FSI is currently headquartered in Edison with 20 employees and has committed to creating 14 new jobs within two years.

**APPROVAL REQUEST:**

Approval is recommended for a \$1,000,000 loan from the Edison Innovation Green Growth Fund as proposed.

**FINANCING SUMMARY:**

**LENDER:** EIGGF

**AMOUNT OF LOAN:** \$1,000,000

**TERMS OF LOAN:** Interest rate fixed at 2%. 12-month payment moratorium with interest to be accrued and capitalized followed by a 4-year term and 7-year amortization. 50% of the amount disbursed may be converted to a performance grant if milestones are met during the first five years as agreed prior to closing.

**PROJECT COSTS:**

|                    |                    |
|--------------------|--------------------|
| Working capital    | \$1,000,000        |
| <b>TOTAL COSTS</b> | <b>\$1,000,000</b> |

**JOBS:** At Application 20 Within 2 years 14 Maintained 0 Construction 0

**DEVELOPMENT OFFICER:** M. Wiley

**APPROVAL OFFICER:** S. Brady

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
EDISON INNOVATION GREEN GROWTH FUND**

March 6, 2012

Re: FieldView Solutions, Inc.  
275 Raritan Center Parkway  
Edison, NJ 08837  
P37301

**PROGRAM and STRUCTURE**

New Jersey Board of Public Utilities (BPU) Office of Clean Energy and the New Jersey Economic Development Authority (EDA) as administrator of the Edison Innovation Green Growth Fund (“EIGGF”) is proposing the following assistance to FieldView Solutions, Inc. (“FSI” or the “Company”) for growth capital needs associated with developing and marketing its FieldView software platform.

|                         |  |
|-------------------------|--|
| Borrower:               | FieldView Solutions, Inc.  |
| Amount Requested:       | \$1,000,000  |
| Interest Rate and Term: | Interest rate fixed at 2%. 12-month payment moratorium with interest to be accrued and capitalized followed by a 4-year term and 7-year amortization. 50% of the amount disbursed may be converted to a performance grant if milestones are met during the first five years as agreed prior to closing.  |
| Collateral:             | Second blanket lien on all business assets behind a \$1 million line of credit from Bridge Bank. Negative pledge and springing lien on FSI’s intellectual property. Consent to future additional senior indebtedness of up to 25% of the \$1,000,000 EIGGF funding commitment (this would result in BPU being in a subordinated position on the applicant’s assets). |
| Purpose:                | The proceeds of the proposed loan will be used for general growth capital needs including research and development, hiring and training personnel, marketing and purchasing inventory.   |

Of note, 20% of the loan will be advanced at closing with remainder paid upon the satisfaction of milestones.

**DESCRIPTION OF COMPANY AND TECHNOLOGY**

FSI was formed in 2009 as a provider of software technology that is designed to generate greater operating efficiencies and reduce energy consumption for data centers. Of note, the Company was formed as a spin-out of Energy Options (“EO”) when Fred Dirla, CEO purchased the rights to the FieldView software. EO was formed in 1979 and is currently a provider of integrated automation systems for new and existing buildings. Mr. Dirla served as COO at EO and had been instrumental in developing the FieldView software since 2006.

FSI is currently headquartered in Edison and has 20 employees in New Jersey. Its main product offering is the FieldView software suite, which has been designed to monitor the critical points of disparate data center and MEP systems including power usage, circuit balancing, over current conditions, phase imbalance, temperature and capacity. It is a web-based, scalable application that can communicate with a broad range of devices including Modbus, SNMP, XML, OPC, BACnet and BSM power monitoring systems.

FSI stated that the software produces actionable data that can reduce energy consumption by at least 10%. FieldView is currently installed in more than 50 data centers nationwide, of which, 26 are located in New Jersey and consume more than 350 megawatts of energy per year. Assuming the software generates FSI's claimed 10% minimum reduction in energy consumption, the installed customer base currently experiences a reduction in carbon dioxide emissions of 172,000 metric tons and a reduction in the annual consumption of electricity of more than 260,000 Mwh in New Jersey.

FSI has committed to creating 14 jobs within two years of getting the proposed funding.

## **MANAGEMENT TEAM**

Staff believes that FSI's management team is well-rounded with significant industry experience and deep domain expertise.

Fred Dirla, CEO, Director and Founder (0% ownership) – Mr. Dirla is responsible for overall strategy, operations, and financial management at FSI. He has over 20 years of experience in various leadership roles within the industry. His prior experience includes serving as COO at EO, General Manager of the Utility Privatization Division at Enron and Service Manager at Johnson Controls. In addition, Mr. Dirla has an extensive background in building automation and has held various positions including: technician, lead programmer and supervisor of a technicians group that specialized in mission critical areas. One of Mr. Dirla's key projects was the design, programming and installation of a building automation system within a Hoechst Celanese facility. Fred holds a degree in Business Administration, is a licensed electrician and holds a Blue Seal Boiler Operator's license.

Tom Edwards, CFO (0% ownership) – Mr. Edwards has more than 20 years of finance and operational experience. He is currently serving as part-time CFO for FSI as well as ServiceChannel.com and Halfpenny Technologies. His prior experience includes serving in various roles at Ernst & Young during a nine-year tenure. In addition, he has served in executive positions at several companies including serving as CFO and COO of Recruiting Solutions (a start-up software company). Mr. Edwards has significant experience managing bank financing and equity fund raising as evidenced by the progress of FSI. He also has extensive experience with entrepreneurial endeavors in software development and services companies. Mr. Edwards holds a Bachelor's of Science degree in accounting from the Rochester Institute of Technology.

## **BOARD OF DIRECTORS**

FSI has an active Board of Directors that is comprised of the following members:

Fred Dirla, CEO of FSI

Brad Freeman, CEO and Owner of Energy Options, Inc. (31% ownership through Energy Options)



Arrun Kapoor, Managing Director at SJF Ventures (27% ownership through SJF Ventures)

F. Morgan Rodd, Jr., Managing Director at Milestone Venture Partners and consultant for the US Department of Defense as part of the agency's Defense Venture Catalyst Initiative (DeVenCI) program (21% ownership through Milestone Venture Partners)

Nate Lentz, Managing Partner at Osage Partners (21% ownership through Osage Partners)

## **RECOMMENDATION**

Approval is recommended for a \$1,000,000 loan from the Edison Innovation Green Growth Fund as proposed based upon the experienced management team, proven ability to raise capital, strong customer traction, satisfactory feedback from the reference calls and the fact that FSI's solution should assist in reducing carbon dioxide emissions by 172,000 metric tons and the annual consumption of electricity by more than 260,000 Mwh in New Jersey.

### Conditions:

- Evidence that FSI has received a \$1 million line of credit with terms that are acceptable to the Authority.
2. Evidence that the term loan from Silicon Valley Bank has been paid in full.

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
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**DEVELOPMENT OFFICER:** M. Wiley

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