



Agenda Date: 4/23/14
Agenda Item: 8C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF MICHAEL MANIS AND MANIS)
LIGHTING, LLC, NEW JERSEY CLEAN ENERGY) ORDER TO SHOW CAUSE
PROGRAM COMMERCIAL AND INDUSTRIAL)
RETROFIT PROGRAM) DOCKET NO. QS14040316

Parties of Record:

Michael Manis, Manis Lighting, LLC
Michael Ambrosio, Senior Vice President, Applied Energy Group
Carl Teter, Associate Vice President, TRC Solutions, Market Manager

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board"), by way of an Order to Show Cause, says:

1. The Board, pursuant to N.J.S.A. 48:3-60, administers New Jersey's Clean Energy Program (NJCEP). NJCEP includes several programs that offer incentives to both residential and commercial and industrial ("C&I") customers of electric and natural gas utilities to invest in energy efficiency (EE) and renewable energy (RE) measures. Residential EE and RE programs are administered by Honeywell, Inc., and C&I EE programs are administered by TRC Energy Solutions ("TRC"). Honeywell and TRC are the Market Managers for the residential and C&I programs, respectively. Applied Energy Group serves as the NJCEP Program Coordinator.
2. All contractors who participate in the NJCEP are subject to the Board's Contractor Remediation Procedures, outlined in the Board's October 5, 2010 Order. In the Matter of Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the years 2009-2012: Contractor Remediation Procedures.
3. The C&I Retrofit Program ("Program") offers prescriptive rebates to commercial customers who install various measures such as high efficient lighting, motors, or heating or cooling equipment. The Program's prescriptive lighting component offers lighting rebates for the installation of certain high efficient lamps and fixtures, including LED lighting. A business customer may contract with a lighting professional to install incentive qualified lighting at their place of business or chose to self-install incentive qualified lighting.

4. An application is submitted to TRC specifying, among other things, the type of incentive-qualified light bulbs to be installed, the total amount of incentive per bulb and the total expected incentive based on the units to be installed. After review of the initial application to ensure all program requirements have been met, TRC issues a letter either rejecting or approving the application. Approved applications are given a date by which the project must be completed in order to receive the rebate.
5. A C&I customer may assign his approved rebate to the contractor by submitting a signed form to TRC designating the lighting contractor as the recipient of the rebate. In those cases, the approved rebate is addressed and sent directly to the lighting contractor by TRC.
6. In most circumstances, and in all instances relevant to this matter, a rebate will not be issued unless the C&I customer first obtains and submits to TRC a Tax Clearance Certificate ("TCC") from the New Jersey Department of Treasury, Division of Taxation ("Taxation"), indicating that Taxation has reviewed the records of the applicant for an incentive or rebate and has no objections to the issuance of the incentive. The TCC is valid for a set time period upon its issuance, as noted on each TCC. The TCC is applied for and, if approved, received by the C&I customer.
7. Respondent Michael Manis ("Manis") is the owner of Manis Lighting, LLC, located in Hasbrouck Heights, New Jersey. Manis participates in the Program as a lighting contractor. For each application relevant to this proceeding, Manis acted as the entity submitting all application paperwork to the Program on behalf of his C&I customers, including the TCC. In each of these cases, Manis was assigned the right to receive the rebate by his C&I customers.
8. In January 2014, TRC reviewed two TCCs Manis submitted to the Program related to two pending applications. TRC noticed that both TCCs were printed on an outdated Taxation form that had been replaced by Taxation a few months prior. That same month, TRC contacted Taxation about the two TCCs and was informed that both were invalid TCCs that Taxation had not issued.
9. Later in January, Manis submitted a third TCC to the Program concerning another application. TRC again contacted Taxation, in light of the two other invalid TCCs, and was informed that it, too, was an invalid TCC that Taxation had not issued.
10. By letter dated February 21, 2014, TRC notified Manis of its findings with the three TCCs and of the Market Manager's intention to recommend a Level 4 suspension, consistent with the Board's Contractor Remediation Procedures, for alleged "intentional misconduct intended to be outside the established program guidelines and procedures" in the submission of invalid TCCs.
11. The letter informed Manis that effective immediately, all pending applications including "Michael Manis" as the contractor or payee would be placed on hold without payment pending BPU review of the Market Manager's recommendation. Additionally, Manis was informed that no additional New Jersey C&I incentive applications would be accepted from Manis and all pending Manis projects would be inspected at a 100% rate by the Market Manager. Manis was offered the option to request a meeting with the Market Manager's Team upon TRC's receipt of Manis' response to the allegations.

12. Manis responded by email to TRC on February 24, 2014, attaching an unsigned letter. Manis then mailed a signed copy of the identical letter to TRC two days later.
13. In the letter, Manis admitted to altering the three TCCs identified in TRC's February 21, 2014 letter, and further admitted to altering nine others. Manis listed the names and project numbers for all twelve altered applications. Manis admitted to changing expired dates on Taxation issued TCCs to reflect that the documents were still valid; and then "getting carried away". Manis ended his letter requesting a meeting with the Market Manager's Team.
14. On March 7, 2014, TRC responded to Manis in writing, granting his request to meet with the Market Manager's team. Manis was offered three dates and also offered the opportunity to consult with and be represented by legal counsel.
15. Manis appeared at the March 21, 2014 meeting without counsel, and confirmed that he had chosen to appear on his own. Manis explained his alterations to each of the twelve TCCs and additionally admitted to altering a utility bill on one of the twelve applications, in order to expedite payment of the rebate. The alterations of the twelve TCCs fall into three categories:
 - Changing the official date on the TCC, so that it would appear that an expired document was still valid;
 - Creating a TCC in a C&I customer's name when the TCC had not arrived or Manis had not received it from the C&I customer; and
 - Creating a TCC in a C&I customer's name after Manis learned that the C&I customer was ineligible to receive a TCC.
16. In accordance with the Board's Contractor Remediation Procedures, the Market Manager recommends the imposition of a Level 4 suspension. The findings of TRC and Manis' own admission of altering and fabricating several official State documents and a utility bill, in furtherance of receiving rebates assigned to him, fits within the intentional conduct subject to Level 4 suspension.

Therefore, the Board **HEREBY ORDERS** Respondent Manis to **SHOW CAUSE** before the Board, at a time and place to be designated:

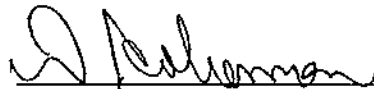
Why a Final Order should not be issued, imposing a Level 4 Sanction and suspending Manis from participating in any NJCEP program for one year with no reinstatement without filing a petition subject to Board approval.


It is **FURTHER ORDERED** that Manis is to file within fifteen days of service of this Order to Show Cause (1) an answer to the Order to Show Cause in accordance with N.J.A.C. 1:1-6.1 and N.J.A.C. 14:1-6.2, and (2) exhibits which Manis intends to rely upon in opposition to the relief sought in this Order to Show Cause, by serving the same upon the Secretary of the Board, 44 South Clinton Ave, Trenton, New Jersey 08625 and Deputy Attorney General Carolyn McIntosh, Department of Law and Public Safety, Division of Law, P.O. Box 45029, 124 Halsey Street, Newark, New Jersey 07101. Failure to file an answer may result in a Final Order being issued by the Board consistent with the relief sought herein.

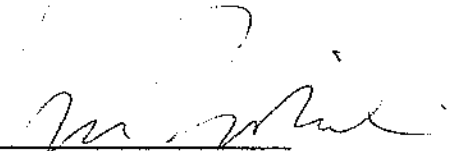
It is **FURTHER ORDERED** that any interested party may file a brief in this matter within ten days after service of the answer, by serving the same upon the Secretary of the Board, 44 South Clinton Ave, Trenton, New Jersey 08625 and Deputy Attorney Carolyn McIntosh, Department of Law and Public Safety, Division of Law, P.O. Box 45029, 124 Halsey Street, Newark, New Jersey 07101, and all persons listed on the service list.

DATED: 4/24/14

BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

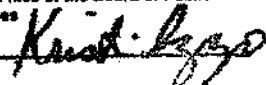

JOSEPH L. FIORDALISO
COMMISSIONER


MARYANNA 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



IN THE MATTER OF MICHAEL MANIS AND MANIS LIGHTING, LLC, NEW JERSEY CLEAN
ENERGY PROGRAM COMMERCIAL AND INDUSTRIAL RETROFIT PROGRAM
DOCKET NO. QS14040316

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