



Agenda Date: 7/19/13

Agenda Item: 9A

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/

IN THE MATTER OF THE ENERGY ASSISTANCE)
GRANT AS AUTHORIZED UNDER N.J.S.A. 48:2-29.39) ORDER AUTHORIZING
- PAYMENT ASSISTANCE FOR GAS AND ELECTRIC) GRANT AWARD
(PAGE) PROGRAM) DOCKET NO. EG13030195

Parties of Record:

Donna Blaze, Chief Executive Officer, Affordable Housing Alliance
James Jacob, President & CEO, New Jersey SHARES

BY THE BOARD:

N.J.S.A. 48:2-29.39 authorizes the Board to designate an established statewide non-profit energy assistance organization to receive supplemental funding from unclaimed property held by the State's electric and gas utilities pursuant to N.J.S.A. 46:30B-74. N.J.S.A. 46:30B-74 directs the administrator of the Unclaimed Utility Deposit Trust Fund ("Trust Fund") to provide 75% of the money in the Trust Fund to the New Jersey Statewide Heating Assistance and Referral for Energy Services ("NJ SHARES"), or to another statewide nonprofit energy assistance organization designated by the Board within 45 days of the receipt of such funds. The non-profit entity designated by the Board to receive the funds must use them to help electric or natural gas customers pay their electric or natural gas bills to avoid shut off of service.

On February 2, 2001, in Docket No. EO00120976U, the Board found "NJ SHARES to be an appropriate, established statewide non-profit energy assistance organization to receive supplemental funding from unclaimed property held by the State's electric and gas utilities" for the purpose of administering an energy assistance program for residential customers. NJ SHARES has been the designee of these funds since 2001.

At its March 20, 2013 agenda meeting, the Board determined to review the designation under N.J.S.A. 48:2-29.39 because it has been more than 10 years since the initial designation. Accordingly, the Board determined it would distribute a Notice of Availability of Grants ("Notice") seeking bid proposals for distribution of the funds from unclaimed utility deposits in the Unclaimed Utility Deposits Trust Fund to a nonprofit organization. N.J.S.A. 48:2-29.39.

Pursuant to the Notice, the money is to be used to administer the Payment Assistance for Gas and Electric ("PAGE") program, for a five-year period, to help pay the gas and electric bills of households seeking temporary assistance.

On April 15, 2013, the Board published a Notice in the New Jersey Register at 45 N.J.R. 957(a). The Notice was also posted on the Board's website at: <http://www.nj.gov/bpu/pdf/announcements/2013/20130318.pdf>.

The deadline by which applicants had to submit their proposals to the Board was 5:00 pm on May 15, 2013.

In accordance with the requirements contained in the Notice, the Board received a total of two proposals from:

1. Affordable Housing Alliance ("AHA"); and
2. NJ SHARES.

An Evaluation Committee ("Committee"), consisting of five representatives from Board Staff, reviewed the proposals.

The Committee was made up of members from the Board Secretary's Office, the Audits Division, and the Office of Budget and Fiscal. Technical scores were calculated based on the result of an independent reading and analysis of each proposal by the evaluators.

EVALUATION METHODOLOGY

The Committee was responsible for performing a review of each proposal received. The focus of the Committee's review was on the strengths and weaknesses of each proposal as it related to the applicant's ability to undertake and successfully complete the work required for the PAGE Grant, as specified in the Notice.

The Committee utilized a technical scoring format based on assigning points to each of the evaluation criteria listed in that section of the Notice. The criteria listed in the evaluation section of the Notice assigned a maximum of either ten (10) or twenty (20) points to each individual criterion.

The Committee utilized the following process to derive total scores:

1. Each member reviewed and scored each application independently, and assigned a technical score from one to ten (10) or one to twenty (20) to each criterion, depending on the number of points allotted to each criterion, as per the point allotments contained in the Notice, and used a standard scoring sheet;
2. The scores for all Committee members were then summed to derive the total score for the proposal.

Each voting Committee member could assign a maximum score of 100 technical points to each applicant's bid proposal.

The Committee then discussed the merits of the proposals of the two applicants, AHA and NJ SHARES, in greater detail. Based on its review of the proposals, the Committee determined both applicants demonstrated that they could implement the PAGE program on a state-wide basis, although this was only one criterion that was considered.

RECOMMENDATION

The Committee selected AHA as the highest scoring bidder. AHA's total score was 447 and NJ SHARES total score was 378, out of a possible 500 points. Additionally, all five evaluators ranked AHA higher than NJ SHARES.

The AHA proposal was extremely detailed and provided the Committee with ample reason to believe that AHA could implement the PAGE program in an effective and fiscally responsible manner. All of the Committee members agreed with the final scoring to rank AHA number one and recommended the selection of AHA as the recipient of the PAGE Grant.

The Committee selected AHA for several reasons. AHA's vision for the program, and its proposal's high level of detail for all aspects of PAGE program administration, led the Committee to believe that AHA could administer the program the most effectively and efficiently. For example, AHA clearly, and in great detail, laid out the entire application process, from filing an application to receiving benefits. Further, AHA's proposal was client focused, with easy-to-follow procedures, while not sacrificing program integrity. In fact, AHA's proposal contained a section concerning the mitigation of potential fraud (by clients or AHA representatives) which was several pages long and well thought out. Further, AHA's use of technology to create a streamlined intake process which directs all interested clients to the energy assistance program for which they are income-eligible (USF, HEA, TRUE, SHARES or PAGE) was considered a positive aspect as well.

Additionally, AHA provided detailed budget projections, which contained a descriptive narrative that demonstrated how the program could be scaled up or down depending on the amount of the grant provided to the agency, which will vary by year as indicated in the Notice. Moreover, AHA's proposal was more cost effective because it contained lower administrative costs, which will result in a higher number of assisted households. In addition, AHA listed a detailed set of metrics by which it proposed to measure its own performance in administering the program. Finally, AHA's proposal to target payment troubled customers through their utility companies rather than wait for customers to reach out to AHA is an innovative and collaborative approach to marketing PAGE.

DISCUSSION AND FINDINGS

The Board recognizes the need for an open and transparent bidding process where public funds are concerned. After review of the evaluation process, the Board **HEREBY FINDS** the process was fair and impartial. Each Committee member independently evaluated every proposal, based upon the criteria as specified in the Notice, and each Committee member was provided with specific instructions for following the Notice criteria and using it when scoring the applications. Therefore every applicant was afforded the same opportunity to compete for the PAGE Grant.

Applications were scored based upon the information each applicant provided by the application deadline. The details of each proposal were carefully reviewed by the Committee and, based upon the applications presented, AHA submitted the highest ranking proposal.

The Board **HEREBY ACCEPTS** the recommendation of the Evaluation Committee to award the PAGE Grant, for a five-year period, to the AHA, based in Eatontown, New Jersey. The five year period shall be for State Fiscal Years 2014, 2015, 2016, 2017 and 2018. If any grant funds remain unspent at the end of Fiscal Year 2018, AHA shall return the unspent funds to the Department of Treasury to be re-deposited in the Unclaimed Utility Deposits Trust Fund.

The Board **HEREBY DIRECTS** the utilities and other energy providers to work with AHA to ensure applicants who have applied for and met the eligibility requirements of a PAGE Grant will have that grant applied towards their utility bill.

The Board **HEREBY AUTHORIZES** the Board President to sign the contract or grant agreement with AHA to implement the PAGE program.

AHA shall adhere to the reporting requirements as set forth in the Notice of Grant Availability and any other reporting requirements specified in the contract and as set forth below:

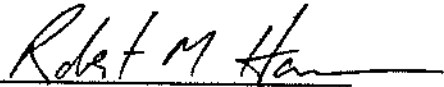
Quarterly progress reports, accounting for all funds received and spent, will be required, including but not limited to the number and amount of financial assistance grants distributed to Limited Income Households by each electric and/or gas utility and when the grants are distributed. Quarterly reports shall also include actual program administrative costs for that quarter. Within one year of receiving the grant award, the nonprofit organization shall issue a comprehensive report to the Board which provides the number of applicants applying for household utility assistance grants, the number of households receiving utility assistance grants, the average amount of assistance provided, the average gross income of households receiving assistance, the methods and procedures used for the verification of income or hardship, and any other information as required by the Board.

This comprehensive report will be required on an annual basis after the first year, or more frequently, at the discretion of Board Staff.

This Order shall be effective on July 29, 2013.

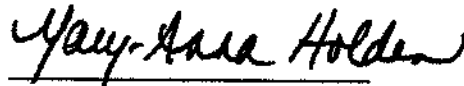
DATED: 7/19/13

BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT



JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

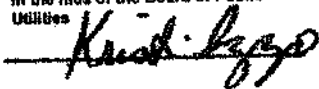

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
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 THE ENERGY ASSISTANCE GRANT AS AUTHORIZED UNDER
N.J.S.A. 48:2-29.39 - PAYMENT ASSISTANCE FOR ELECTRIC AND GAS PROGRAM
Docket No. EG13030195

SERVICE LIST

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