

M E M O R A N D U M

To: EEAC Council

From: EEAC Executive Committee

Date: August 31, 2012

Subject: EEAC Consulting Team Budget Increase Request

Dear Councilors –

1. On August 24, 2012, we held an Executive Committee meeting, which included a discussion regarding a request by Optimal Energy, the EEAC Consulting Team, for an increase to their CY2012 budget of \$105,000.
2. The cause for the budget increase request is related to unanticipated tasks and an expanded role to complete tasks, including: DPU 11-120; additional iterations of the three-year plan; 2011 Annual Reports; and additional Council and Executive Committee meetings.
3. The Executive Committee requested that the Consulting Team prepare an in-depth analysis of their actual costs-to-date as well as their projected costs for the remainder of CY2012, and to provide that information to the Executive Committee by August 28, 2012, in preparation for an Executive Committee meeting on August 30, 2012, to further address the budget increase request.
4. On August 30, 2012, we held an Executive Committee meeting to further discuss the Consulting Team's CY2012 budget increase request, and to consider our recommendation to the Council regarding same.
5. Based on those discussions, the Executive Committee is recommending:
 - a. increasing the Consulting Team's CY2012 budget by \$85,000;
 - b. instituting a monthly review and analysis, by the Executive Committee, of the Consulting Team's monthly actual and budgeted costs for the remainder of CY2012; and
 - c. requiring the Consulting Team to cut back activities, where necessary and prudent, in November and December 2012, in a concerted effort to curb further budget increases.