

Philadelphia Energy Authority
Minutes of the Quarterly Meeting of the Board of Directors
April 25, 2018

The quarterly meeting (“the Meeting”) of the Board of Directors (the “Board”) of the Philadelphia Energy Authority (“the Authority”) was held on April 25, 2018 beginning at 4:00pm at Philadelphia City Hall, Room 576, 1400 John F. Kennedy Blvd., Philadelphia, PA 19107.

The following board members of the Authority were present at the meeting:

Barbara Adams
Adam Agalloco
Christopher A. Lewis
Emily Schapira
E. Mitchell Swann

Also present at the meeting: Mutahib Nyahuma (GCI Services), Maxine Dixon (PEA), Laura Rigell (PEA), Ben Vila (PEA), Nancy Mifflin (PEA), Mahvish Ilyas (PEA), Tabeen Hossain (PEA), Alon Abramson (PEA)

Call to Order

Mr. Lewis (Chair) called the Meeting to order. Mr. Lewis determined that a quorum was present and confirmed that the Meeting was properly advertised.

Approval of the Minutes

As the first order of business, Mr. Lewis moved that the Authority approve the minutes from the prior quarterly meeting held on January 25, 2018 (“Prior Meeting”). Minutes were provided to the members in advance of the meeting. Upon motion duly made by Ms. Adams and seconded by Ms. Schapira, the Board unanimously approved the minutes with minor, non-substantive changes.

Mr. Lewis moved that the Authority approve the minutes from the prior special meeting held on February 14, 2018 (“Prior Special Session”). Minutes were provided to the members in advance of the meeting. Upon motion duly made by Ms. Schapira and seconded by Ms. Adams, the Board unanimously approved the minutes.

Public Comments

As the next order of business Mr. Lewis asked for comment from the public. No members of the public were present at that time. Nancy Mifflin, PEA consultant, congratulated PEA on Phase 2 of the Multi-Family Energy Efficiency program and shared highlights from a recent visit to Philadelphia by Rose McKinney-James, Board Chair of the American Association of Blacks in Energy (AABE).

Chair’s Report

Mr. Lewis requested the board start scheduling workshops in between the scheduled public quarterly meetings. He suggested quarterly 2-3 hour sessions, hosted at a board member’s home. He also made

clear these meeting are to be briefing sessions only and are not for the purpose of decisionmaking. Additionally, subcommittees should begin to schedule meetings in between regularly scheduled Board meetings.

Executive Director's Report

Ms. Schapira provided a draft of Annual Report for Year 1. She gave an update on job creation during the first year of the Energy Campaign. She confirmed the numbers were on track with PEA's projections and when programs are to scale we will see significant growth in our numbers being tracked.

Ms. Schapira also informed the board of a new agreement with Eco(n)law to provide PEA with additional legal services surrounding energy, to be paid by a monthly retainer fee.

Program Updates

City Projects (Adam Agalloco)

Mr. Agalloco provided an update on City projects. Proposals received for the Renewables PPA were evaluated. Mr. Agalloco will share a full briefing with the board once a project is selected. The Philadelphia Museum of Art had its first kick-off meeting and construction will begin in early July. The EOP Oversight Committee for the project will tentatively begin meeting in June and members are currently being selected.

Ms. Schapira gave other updates on City-related projects. The RFP for PEA's Water/Sewer Line Protection Program is currently open and we are expecting at least two respondents. The Water Department is moving forward on a feasibility study for technical and regulatory work for the Flat Rock Dam project as part of an existing contract with O'Brien and Gere. We will have results in October 2018.

School District Pilot

The 3-school Energy Efficiency Pilot was awarded to NORESKO and will be starting energy retrofits this summer. The District is finalizing their contract and planning construction.

Solar & Training Programs (Laura Rigell)

Ms. Rigell provided an update on the Solarize Philly program. Phase 1 resulted in more than 160 solar installations, streamlined L&I permitting processes, and a dramatic improvement in PECO's interconnection approval rates. Solarize Philly helped make Philadelphia the 5th fastest-growing solar market in the U.S. in 2017. Phase 2 will open soon, with a goal of 500 total solar homes, 20% of whom will be Low- or Moderate-Income households.

PEA staff presented Solarize Philly at 50 events already, with 19 additional scheduled. Marketing and outreach are key challenges.

PEA's high school solar and energy training program, Find Your Power, will have its Spring semester closing ceremony in June. 60+ students have already expressed interest in the summer training program with only 20 spots available. Students in the training program will be compensated by the Philadelphia

Youth Network's WorkReady program. 10 additional students who have already taken the solar class will receive paid summer internships with PEA partners.

Housing & Small Business Programs (Alon Abramson)

The Small Business Energy Efficiency Pilot Program officially kicked-off its second phase on April 16th. A mailer went out to Philadelphia small businesses to advertise. Mr. Abramson provided an update on key lessons from our first phase, which included the need for better financing options, financial counseling for small businesses and faster turnaround on proposals. To address financing issues, PEA has partnered with West Philadelphia Financial Services Institution to create a special loan product and incorporate additional advisory services.

Phase 1 of the Multi-Family Affordable Housing Energy Efficiency Program was completed in December 2017, with ongoing analysis happening now. Nearly 200 units of housing received a retrofit, with savings ranging from 15-30% of utility costs. Phase 2 will proceed later in 2018.

A second Multi-Family pilot is being developed to address some of the challenges of Phase 1.

Financing Initiatives

Ms. Schapira gave a brief update on the development of a Philadelphia Green Bank. PEA has been speaking with potential capital providers and will have a more robust report in future meetings. PEA is seeking \$2.5 million in start-up grant funds.

Treasurers' Update

Ms. Schapira & Mr. Swann gave a brief overview of PEA's budget spent to date. Ms. Schapira requested that the board approve a resolution to approve a match to an as-yet-to-be-finalized retirement benefit for PEA employees. Since the package had not been finalized, the board suggested tabling the resolution until details are resolved.

The Fiscal Year 2019 budget has been finalized and submitted to City Council for approval. Ms. Schapira requested that the board pass resolution IV-02: APPROVAL OF FY19 BUDGET REQUEST. Ms. Adams made a motion to approve the resolution. It was seconded by Mr. Swann and passed unanimously. The text of the resolution is as follows:

"RESOLUTION IV-02: APPROVAL OF FY19 BUDGET REQUEST

Resolved, that the Board of Directors of the Philadelphia Energy Authority ("PEA") approves the budget request for Fiscal Year 2019 submitted to City Council in the amount of \$743,000 as presented by the Executive Director on April 25, 2018 and attached here."

Ms. Schapira also provided an update on grants received in FY18, which included \$50,000 from PECO for the Spring semester of Find Your Power (administered by the Fund for the School District of Philadelphia), \$5,000 from Siemens for the same purpose, \$50,000 in technical assistance dollars from the Department of Energy's Solar in Your Community Challenge and \$15,000 in DOE seed funds for Solarize Philly.

Adjournment

Mr. Lewis asked that the board to go into an executive session for the purpose of discussing a personnel matter. Mr. Lewis moved to adjourn the meeting, which was duly seconded and approved.

Respectfully Submitted,

Barbara Adams
Secretary