

**Philadelphia Energy Authority**  
**Minutes of the Quarterly Meeting of the Board of Directors**  
**July 26, 2017**

The quarterly meeting (“the Meeting”) of the Board of Directors (“Board”) of the Philadelphia Energy Authority (“the Authority” or “PEA”) was held on July 27, 2017, beginning at 4:00pm at Philadelphia City Hall, 5<sup>th</sup> Floor, Room 576, 1400 JFK Blvd., Philadelphia, PA 19107.

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

Christopher A. Lewis (Chair)  
E. Mitchell Swann (Vice Chair & Treasurer)  
Barbara Adams (Secretary)  
Adam Agalloco (Member)  
Emily Schapira (Member & Executive Director)

Also present at the meeting were: Ken Ogawa (PEA/Bucknell), Maxine Dixon (Program Coordinator to PEA), Nancy Mifflin (Consultant to PEA), Alon Abramson (Program Manager to PEA), Laura Rigell (Solar Manager to PEA), Aaron Metheny (Intern to PEA), Ashley Russell (Intern to PEA), Enrique Montoya (Intern to PEA), Mahvish Ilyas (Intern to PEA), Nafeece Glover (Intern to PEA), Mark King (private citizen), Jon Zeller (Ameresco), Amy McIlavine (AT&T Smart Cities) Frank Foley (Solar Scale), Michael Heaney (private citizen), Hannah Miller (Greater Philadelphia Renewable Energy Society), David Ralston (private citizen), David Steinberg (private citizen)

**Call to Order**

Mr. Lewis called the Meeting to order and determined that a quorum was present.

**Approval of the Minutes**

As the first order of business, Mr. Lewis suggested that the Authority approve the minutes from the previous meeting held on April 27, 2017 (“Prior Meeting”). Ms. Adams set the motion, seconded by Mr. Agalloco, and unanimously approved.

**Introductions**

Introduction of PEA’s interns and members of the public who attended Meeting.

**Public Comment:** Michael Heaney expressed he would like past board meeting minutes to be available for viewing on new website. Ms. Schapira mentioned that the new website had just gone up and we are in the process of posting all past board documents.

**Chair’s Report**

Mr. Lewis’s report was an acknowledgement of Resolution III-01, thanking Ken Ogawa for his service to the Philadelphia Energy Authority. Recognition was given through reading of resolution and presentation of certificate. Ms. Adams moved we adopt the resolution, Ms. Schapira seconded, and motion moved unanimously.

## Executive Director's Report

Ms. Schapira provided both administrative and programmatic updates.

1. **Update on change to the PEA's Articles of Incorporation:** PEA is going through the process of submitting an amendment to its Articles of Incorporation to increase board size from 5 members to 7. The filing was returned by the Secretary of the Commonwealth requesting additional information. Maxine Dixon, PEA Program Coordinator, is working with lawyer to update filing for approval.
2. **Solarize Philly & Summer Solar Training:** Ms. Rigell gave Solarize Philly update. Solarize launched in April 2017 at a press conference presented by Councilmembers. After RFP process three solar installation companies have been selected: Solar States, Moore Energy, and Solar by Kiss.

PEA has received over 1,530 sign-ups of interest on their website. Assignment to solar installers began July 1st and 383 have been assigned thus far. Of those already assigned, 145 have received proposals, and 12 proposals have become signed contracts. There are 4 tiers of discounted pricing for the program which occur after 15, 40, and 100 contracts are signed. PEA is close to meeting first tier of signed contracts. Enrollment remains open until September 30<sup>th</sup>. Contract must be signed by that date to qualify for discounts.

Solarize Philly creates two revenue streams. The first will support Solar Training ("Find Your Power") within the School District. The first class occurred this summer. The closing ceremony for training will be August 18th on last day of class, Mayor Kenney and Council President Clarke will be in attendance. The second revenue stream will help low and moderate income households participate in the clean energy economy through subsidized solar on their rooftops. This portion of the program will open in January 2018. Ms. Schapira added PEA has been working with Amanda Warwick at the Office of Sustainability and the Department of Licenses and Inspections and PECO to streamline permitting and interconnection requests for the program. Mr. Lewis asked if we are tracking jobs, and Ms. Schapira clarified that we are using the ACEEE model we developed earlier this year. Ms. Dixon will be working on updating tracking for direct, indirect, and induced jobs and a report will be released later in the year.

3. **City Council Housing Preservation Initiative:** City Council is planning to issue bond using revenue from the increase to the real estate transfer tax to help clear waitlists for the City's low-income home repair programs, as well as create a loan program designed to help low and moderate income households with fair credit make critical household improvements. A health and energy assessment to make recommendations will be provided as part of the loan process.

PHDC has already addressed 150 homes from the waitlist in a little over a month and a half. Their goal is to complete 250 home every month moving forward.

4. **Water and Sewer Line Insurance Program**: Energy is the highest expenditure the Water Department has and as much as 20% of that is wasted through treated water leaking from lateral lines, which are the responsibility of the homeowner, not the City. PEA is intending to release an RFP for a Water and Sewer Insurance Line Program later this year, as designed by the National League of Cities. Estimated savings to the Water Department in energy cost is roughly \$500,000 per year.
5. **Small Business Pilot Phase I & II**: PEA and Penn State partnered over the prior 9 months to run a small business pilot focused on deep energy efficiency retrofits (30% reduction) for corner stores and small restaurants. At the end of April 2017 we decided to pause the program and complete an evaluation to determine whether it is scalable or whether it needs changes to the model. We are hoping to release the evaluation and Phase II of the program in the fall.
6. **Schools Pilots + Energy capital planning**: Three schools will be chosen for an energy performance contract pilot. The District is moving forward with selecting a consultant to manage an Energy Services Company (ESCO) for this project.
7. **Upcoming City projects**: Art Museum went for RFP to 5 qualified vendors. Interviews of each vendor have been completed; decision to be made in coming weeks. Looking for approval from City Council in the fall to start construction early 2018.

LED streetlighting project continues its work with the Streets Department and PECO.

Municipal Energy Master Plan looking at city facilities potential for energy cost reductions, renewable energy generation, capital energy performance projects, and greenhouse gas reduction. Finalization of plan expected late August early September.

8. **Multi-Family Pilot**: Working with CMC, a subcontractor to PECO, and BlocPower, a software and engineering company in New York. Completed audits of four buildings, and are working on a submission to PGW for inclusion in a low-income housing efficiency pilot.
9. **New Green Voluntary Affordable Housing Program Development**: Alon Abramson is working on a new program focused on single family affordable green housing. Model is currently in development.
10. **Energy in Practice Conference 2018**: PEA would like to have a conference in late 2018 to bring together energy practitioners, decision makers, and vendors. A steering committee will need to be formed to make this event possible. Open to suggestion of names who should be a part of steering committee.
11. **Job Tracking**: To be released to the public this Fall.
12. **Website**: PEA has launched new website and are reworking the Solarize website.
13. **Insurance Review**: Mr. Lewis requested that Ms. Schapira conduct an insurance review now that programs have changed.
14. **Hiring**: Request to board for approval to hire an additional employee. Project Coordinator, will focus on project controls and project management. This was included in the budget as proposed.

**Treasurer's Report:** Mr. Swann reviewed the Financial Statements including Budget vs. Actual spending, and highlighted the frugal approach to spending this year. Budget allocation will be kept high in future for audit and legal expenses since the organization has grown. Budgeted accordingly for healthcare but have not yet had to spend due to many staff member not opting into health care plan.

Mr. Agalloco asked if PEA explored any of the PA contracts to opt into a program that already exists for retirement plan, which is not currently in place..

Ms. Schapira reviewed the FY2017 budget and explained any discrepancies. PEA overspent the consultant budget intentionally due to late hiring and a few other factors. We did not include a graphic design budget this year, so that was bundled with consulting. Legal notice fees doubled due to unexpected advertising required to make changes to Articles of Incorporation.

#### **RESOLUTION III-02: APPROVING HEALTH INSURANCE EMPLOYEE CONTRIBUTIONS**

**RESOLVED**, that the Board of Directors of the Philadelphia Energy Authority (the "PEA") approves the following employee contribution costs for healthcare for Fiscal Year 2018.

#### **RESOLUTION III-03: TRANSFER TO THE BOARD-DESIGNATED RESERVE FUND**

**RESOLVED**, that the Board of Directors of the Philadelphia Energy Authority (the "PEA") approves a transfer of \$191,000 from the general fund to the Board-Designated Reserve Fund ("BDRF"). As previously approved, funds in the BDRF may be only be used for emergency payroll needs or as expressly approved by the Board.

#### **RESOLUTION III-04: APPROVAL OF THE FISCAL YEAR 2018 BUDGET**

**RESOLVED**, that the Board of Directors of the Philadelphia Energy Authority (the "PEA") approves the fiscal year 2018 budget as attached.

Ms. Adams moved to approve the resolutions, which was then seconded by Mr. Swann. Motions were approved.

**New Business:** Ms. Schapira request to have a strategic planning meeting with the board. Next board meeting will be held October 18th.

Mr. Swann mention municipal waste project in Canada, possible program to take a look at for the future. Taking renewable municipal waste and turning it into renewable fuel.

**Adjournment:** Mr. Lewis moved to adjourn the meeting, which was duly seconded and approved.