

**Philadelphia Energy Authority**  
**Minutes of the Quarterly Meeting of the Board of Directors**  
**August 1, 2019**

The quarterly meeting (“the Meeting”) of the Board of Directors (the “Board”) of the Philadelphia Energy Authority (“the Authority”) was held on August 1, 2019 beginning at 4:30pm 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  
Barbara Moore  
Emily Schapira  
E. Mitchell Swann (via phone)

Also present at the Meeting were: Alon Abramson (PEA), Jay Carlis (Community Energy), Samanvitha Danda (PEA), Maxine Dixon (PEA), Michael Freeman (Emerald Energy Consulting), Michael Heaney (Ecosave), Frances Kane (PEA), Amy McIlvaine (Siemens), Nancy Mifflin (PEA), Meenal Raval (Ready for 100), Laura Rigell (PEA), Lisa Shulock (PEA), Joe Wilson (PEA)

**Call to Order**

In the absence of Mr. Lewis (Chair), Ms. Adams (Secretary) called the Meeting to order. Ms. Adams determined that a quorum was present and confirmed that the Meeting was properly advertised.

**Approval of the Minutes**

Ms. Adams asked that the Authority approve the minutes from the prior quarterly meeting held on May 7, 2019 (“Prior Meeting”). Minutes were provided to the members in advance of the meeting. Upon motion duly made by Mr. Agalloco and seconded by Ms. Moore, the Board unanimously approved the minutes.

**Public Comment**

Ms. Adams asked for comments from the public. No public comments were offered.

**Chair’s Report**

Since the Chair was not present, no Chair’s Report was given.

**Executive Director’s Report**

**Organization Updates**

PEA currently does not participate in the City’s pension retirement benefits and therefore has been working to provide another option. PEA is working with a benefits administrator and financial advisor to set up a 457(b) for the organization. The PEA Board Members received a briefing on the retirement plan,

along with all plan documents in advance of the meeting for review. Ms. Schapira requested that the Board consider a resolution to adopt the proposed retirement benefits.

***“RESOLUTION 08012019 - 1: RETIREMENT BENEFITS***

*The following is a formal record of action taken by the governing body of Philadelphia Energy Authority (the "Authority").*

*With respect to the adoption of the Philadelphia Energy Authority 457(b) Plan (the "Plan"), the following resolutions are hereby adopted:*

***RESOLVED:*** *That the Plan be adopted in the form attached hereto, which Plan is hereby adopted and approved effective January 1, 2019; and*

***RESOLVED FURTHER:*** *That Elective Deferrals are effective August 23, 2019; and*

***RESOLVED FURTHER:*** *That the appropriate officers of the Authority be, and they hereby are, authorized and directed to execute the Plan on behalf of the Authority; and*

***RESOLVED FURTHER:*** *That the Board Chair, Vice-Chair, Treasurer and Secretary and the Executive Director of the Authority, including any successors thereof, shall serve as the Trustees of the Plan; and*

***RESOLVED FURTHER:*** *That the Trustees shall act by simple majority vote with respect to the authorization of any material decisions affecting the proper administration of the Trust; and*

***RESOLVED FURTHER:*** *That the Trustees hereby authorize the Executive Director to act on their behalf with respect to any ministerial duties necessary to the administration of the Trust, including, but not limited to, the execution any documents required by law or as necessary to effect the authorized decisions of the Trustees; and*

***RESOLVED FURTHER:*** *That the Authority hereby amends the Plan effective January 1, 2020, to exclude Compensation earned prior to a Participant's initial Entry Date into the Plan and hereby adopts the amendment and restatement attached hereto; and*

***RESOLVED FURTHER:*** *That the officers of the Authority be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports, documents or other information as may be required under applicable law.”*

Upon motion made by Mr. Swann and seconded by Ms. Schapira, the resolution passed unanimously.

## **New Hires**

Ms. Schapira then introduced PEA's two new staff members: Joe Wilson, Solar Training Fellow and Mahvish Ilyas, Solar Projects Coordinator.

## **Program Updates**

Ms. Schapira mentioned that PEA will be releasing its 2018 annual report on August 12th. The Board received a copy, and the report is embargoed to the public until the press conference at Northeast High School on the 12th. The report shows PEA helped launch \$101 million in projects in the first two years of the Energy Campaign and created 984 jobs.

### **I. City Projects**

The Board received a briefing from Mr. Agalloco about the contracting for the Solar Power Purchase Agreement in Adams County and PEA's counsel is reviewing all contract documents. Mr. Agalloco provided additional insight into the project. Since the announcement of this 70MW solar array, other groups including SEPTA and Penn State have also announced large solar arrays in Pennsylvania. Ms. Schapira asked that the Board consider a resolution to authorize contracting for this project.

#### ***"RESOLUTION 08012019 - 02: AUTHORIZING CONTRACTING FOR A SOLAR POWER PURCHASE AGREEMENT ON BEHALF OF THE CITY OF PHILADELPHIA***

*WHEREAS, the Philadelphia Energy Authority ("the Authority") issued an RFP on behalf of the City of Philadelphia and the City selected Adams Solar, LLC as the winning proposal, which will provide over 20 percent of the City's electricity supply, and*

*WHEREAS, the Board of the Authority has reviewed summaries of various documents providing for purchase of a solar power generated electricity supply from Adams Solar LLC to provide electricity to the City (the "Solar Power Program"), including a Power Purchase Agreement between Adams Solar LLC and the Authority (the "PPA"), an Intergovernmental Power Purchase Agreement between the Authority and the City (the "IGA") and proposed terms of an agreement with a buyer's agent with respect to the PPA and the IGA, copies of which agreements and terms have been presented to the Board, and staff of the Authority and of the City have briefed the Board with respect to the material terms and conditions of the Solar Power Program, the PPA, the IGA and the agreement with the buyer's agent,*

*NOW THEREFORE, BE IT RESOLVED, that the Executive Director of the Authority is hereby authorized and directed to enter into (I) the PPA and the IGA substantially in the forms presented to the Board and (II) all other documents necessary to be executed by the Authority to implement the Solar Power Program and to take all actions on behalf of the Authority required by such documents to consummate the transactions contemplated thereby."*

Upon motion made by Mr. Agalloco and seconded by Ms. Moore, the resolution passed unanimously.

PEA is partnering with Community Solar to provide the Bright Solar Futures solar trainees opportunities to work on the installation of this project.

Mr. Agalloco added that the City has 3 RFPs open (electric supplier, building monitoring, and general energy consulting). The Energy Office is also working on a 2-year update of the Energy Master Plan. Their next large focus is LED streetlighting citywide, which will be procured and financed through the Philadelphia Energy Authority.

Construction at the Philadelphia Museum of Art (PMA) continues with Johnson Controls. According to Mr. Agalloco, the project is around 70% complete. Wrap-up of this project is expected to be before the end of Calendar Year 2019.

## **II. School District**

Ms. Schapira provided an update on the energy performance contracting work at the School District. The 3-school pilot, currently under construction, will average about 38% energy savings, subsidizing key building upgrades like new boilers and windows. The District won an award from the Keystone Energy Efficiency Foundation for the pilot.

For the next round of up to 20 schools, the District has awarded a contract to Johnson Controls. Further details to come as contracting is completed.

PEA released a Solar Schools report a few years ago, which indicated that the cost of solar was at parity with the District's utility costs. PEA's solar team recently updated the report, with funding support from PECO. The updated report showed that solar now is priced below the District's current electricity costs. The District has identified four schools with updated electrical systems and roofs, and is evaluating a solar rooftop pilot.

## **III. Solarize Philly & LMI Solar Fund**

Solarize Philly re-opened on April 23, 2019. Solarize currently includes three installers: Solar States, Solar by Kiss, and Arsenal Solar. So far there have been 74 contracts signed and 1,379 new sign-ups. Property owners have until September 30th to enroll and until October 31st to sign a contract at the discount. A fourth installer, Vivint Solar, was selected but has not yet completed contracting so is currently not participating.

PEA has declared August 12-18 as Philadelphia Solar Week. There are a variety of events to celebrate the week including the release of PEA's annual report, Solarize lunch & learns, Solarize info sessions, solar ice cream crawl, bill signings, Bright Solar Futures solar training class graduation and a solar homes tour. There will also be advertisements around the city including a banner at City Hall, Septa screens & buses, and yellow lights along the Philadelphia skyline. We will kick it off with our annual report release on August 12th.

The Special Financing Pilot for low- and moderate-income (LMI) homeowners is continuing to move forward with contracting between PEA and Sunwealth LLC. A new program feature is the addition of silicone roof coating for all participating homes. PEA is exploring adding non-profits into the next round.

## **Solar Training**

The summer cohort consists of 18 trainees and 7 interns. The trainees have attended 3 field trips and in the past week we had a feature in the Philadelphia Inquirer.

The School District has officially announced the location for the permanent Solar Energy Program of Study, which will be Frankford High School. Frankford has one existing CTE program in Culinary, and is developing a new CTE program in Aviation. Once curriculum is approved by the Pennsylvania Department of Education, it will unlock permanent funding for the program. As required for all CTE programs, PEA has developed an Occupational Advisory Committee in partnership with the District and PhiladelphiaWorks to advise on curriculum development.

#### **IV. Affordable Housing**

PEA is serving as a trusted partner to a number of non-profit affordable housing owners to provide guidance on energy and water efficiency efforts and making referrals into utility programs. In the last two months, PEA has referred about 100 units to PECO's energy efficiency program for low-income multi-family housing.

PEA is continuing to work with City programs operated by PHDC and PRA to establish minimum energy standards and provide additional resources to support efficient, healthy homes.

#### **V. Water and Sewer Service Line Protection Program**

Since the program launch, over 67,000 customers have enrolled in PEA's Water and Sewer Line Protection Program. The Program has helped customers avoid \$3 million in repair and replacement costs. PEA's contract with AWR requires that 60% of claims be handled by Minority, Women or Disadvantaged Business Enterprises (M/W/DBEs). Currently 74% of claims are being handled by M/W/DBEs. So far, only 8% of claims have a Notice of Defect from the Water Department (PWD), demonstrating that the program is identifying issues that PWD would not otherwise have found, or before there is a larger issue. The program is estimated to save PWD \$120,000 annually. Claims to date have been 85% sewer line issues and 15% water line issues.

AWR has a fund for homeowners who cannot get or afford a PWD HELP loan and are not enrolled in the program. PEA's Program Manager, Alon Abramson, has been working with Community Legal Services' Energy Unit to facilitate referrals to the fund.

#### **VI. Accelerate Philly - Energy Conference**

The Accelerate Philly Energy Conference is December 9-10, 2019. The event will be managed by Smart Energy Decisions (SED). SED has secured four platinum sponsors and continues to develop the programming and attendance. PEA's role is to put together a host committee to encourage attendees to participate.

#### **Treasurer's Report**

Ms. Schapira shared the draft June Financial Statements with the Board. The fiscal year has not yet been closed out. PEA is currently in the middle of the annual State-required audit by Mitchell & Titus, due September 30, 2019. The FY19 City budget allocation provided 88 percent of PEA's overall budget. PEA

has spent approximately 90 percent of the budget, and will roll over some remaining funds to complete projects that are taking longer than originally projected.

**Adjournment**

There being no further business to come before the Board, on motion made by Ms. Schapira and seconded Ms. Moore, Ms. Adams adjourned the Meeting.

The next quarterly board meeting of PEA has not yet been scheduled.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Christopher A. Harris".

Chair of the Board of Directors