

Philadelphia Energy Authority
Minutes of the Quarterly Meeting of the Board of Directors
December 2, 2020

The quarterly meeting (“the Meeting”) of the Board of Directors (the “Board”) of the Philadelphia Energy Authority (“the Authority”) was held on December 2, 2020 beginning at 4:30pm via Zoom videoconference consistent with the PA Sunshine Act and per the guidance of the Pennsylvania Office of Open Records.

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

Barbara Adams
Adam Agalloco
Michael Kopistansky
Barbara Moore
Emily Schapira

Also present at the Meeting were: Alon Abramson (PEA), Michael Bayesa (Energy Systems Group), Alan Beer (AECOM), Maxine Dixon (PEA), Kenneth Hughes (Constellation), Mahvish Ilyas (PEA), Nancy Mifflin (PEA), Maryrose Myrtetus (PEA), Laura Rigell (PEA), and Lisa Shulock (PEA).

Call to Order

Neither Mr. Lewis (Chair) nor Mr. Swann (Vice Chair) were able to attend the Meeting. In their absence, 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 the Board to approve the minutes from the prior quarterly meeting held on August 26, 2020 and the special session held on September 14, 2020 (“Prior Meetings”). Minutes were provided to the members in advance of the Meeting.

Ms. Adams asked for a motion to approve the Prior Meetings’ minutes simultaneously. Upon motion duly made by Mr. Agalloco and seconded by Ms. Schapira, the Board unanimously approved the minutes.

Public Comment

Ms. Adams asked for comments from the public. Members of the public made introductions, and no other comments from the public were given.

Chair’s Report

No Chair’s Report was provided.

Executive Director's Report

Organizational Updates

Ms. Schapira explained that she and legal counsel had conducted a review of the current bylaws and identified minor updates appropriate to the evolution of the Authority. The Board was given revised Bylaws ten days in advance of the Meeting in accordance with the requirements of the Pennsylvania Municipal Authorities Act.

RESOLUTION 12022020 - 01: AMENDING AND RESTATING BYLAWS

WHEREAS, the Executive Director, Secretary and Counsel have conducted a comprehensive review of the Bylaws of the Philadelphia Energy Authority (the "Authority") to identify existing provisions that should be updated or revised;

WHEREAS, the recommended changes were circulated to the Board of the Authority (the "Board") in compliance with Section 801 of the Bylaws more than ten days prior to the meeting of the Board;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the amended and restated Bylaws in the form attached hereto.

Upon motion duly made by Ms. Schapira and seconded by Mr. Kopistansky, the Board unanimously approved the resolution.

PEA's legal counsel suggested a title change of the Executive Director to President and CEO to be formally adopted by the Board.

RESOLUTION 12022020 - 02: UPDATING EXECUTIVE DIRECTOR TITLE

RESOLVED, that the title of the Executive Director shall be updated to President and Chief Executive Officer, as is reflected in the Amended and Restated Bylaws dated December 2, 2020, and that all prior resolutions, documents and policies referring to the Executive Director shall henceforth be understood to refer to the President and Chief Executive Officer.

Upon motion duly made by Ms. Moore and seconded by Mr. Agalloco, the Board approved the resolution with one abstention from Ms. Schapira.

With the growth of the organization, Ms. Schapira requested approval to hire a Vice President to focus on operations.

RESOLUTION 12022020 - 03: AUTHORIZING NEW HIRE: VICE PRESIDENT, OPERATIONS

RESOLVED, that the Board Directors of the Philadelphia Energy Authority (the "Authority") approves the hiring of a Vice President of Operations, subject to the terms and conditions set

forth in the PEA Employee Handbook and for a salary commensurate with the candidate's experience and in accordance with available funding.

Upon motion duly made by Ms. Moore and seconded by Mr. Kopistansky, the Board unanimously approved the resolution.

PEA's updated Bylaws state that the Board should formally approve the selection of the auditor and formally adopt the annual audited financial statements. The Board met in an executive session prior to the meeting and received a presentation of the FY20 audit report.

RESOLUTION 12022020 - 04: SELECTING AN AUDITOR

RESOLVED, that the Board has selected David Lopez and Company, LLC to provide financial auditing services to the Authority.

Upon motion duly made by Mr. Kopistansky and seconded by Ms. Moore, the Board unanimously approved the resolution.

The PEA Audit committee received a full report of the single year audit. The committee had no comments or concerns to address.

RESOLUTION 12022020 - 05: ADOPTING THE FY20 AUDIT REPORT

RESOLVED, that the Board of Directors of the Philadelphia Energy Authority (the "Authority") hereby adopts the Fiscal Year 2020 audited financial report provided as attached hereto.

Upon motion duly made by Ms. Schapira and seconded by Mr. Agalloco, the Board unanimously approved the resolution.

Program Updates

I. City Projects

The Adams Solar PPA construction is currently delayed due to COVID-19. There are ongoing negotiations to plan for a path forward. Further details will be provided at the next quarterly board meeting. The City of Philadelphia's Building Benchmarking Tune Up program has gone into effect. Interested parties can find more information by visiting

<https://www.phila.gov/programs/building-energy-performance-program/>

II. School District

Construction for GESA-1:Phase 1 is almost complete. The project includes 3 Philadelphia schools receiving deep energy retrofits. GESA-1:Phase 2 will include retrofits for 4 additional schools and the scoping process for GESA-1:Phase 3 has begun.

III. Solarize Philly & Bright Solar Futures

Solarize Philly Phase 4 has come to a close. Due to Covid-19, the phase was much smaller than previous years. During Phase 4 there were 68 new contracts signed -- 48 as part of the market-rate program and 25 for the Solar Savings Grant Program. Since the launch of Solarize the program has had 721 contracts signed, 3.3MW of contracted solar capacity and \$10.6 Million invested in Philly's Clean Energy Economy. PEA is now planning next steps for Phase 5.

Two new systems have rolled out with the assistance of PEA to drive down the cost of solar further. The City of Philadelphia's License and Inspection department developed an EZ permit for solar and PECO developed their Connect the Grid System for intake of interconnection applications online.

Bright Solar Future's first class of Frankford High School 10th graders are currently wrapping up their first semester. The construction on the Solar Lab is moving slower than expected, but more substantial work will be done in the summer. The OppY1 Powercorps cohort was able to complete internships and PEA supported 2 of the 12 students to earn drivers' licenses, and 3 of 12 to pass the NABCEP exam. 11 out of 12 students have been placed into full-time employment. The 2nd Powercorps cohort will start in January 2021.

IV. Built to Last & Multi-Family

The Built to Last program will layer and coordinate existing programs for single family homes. PEA is currently working on a road map with consultant Capital Access and plans to hold 3-4 stakeholder workshops in Q3 & Q4 of FY21, which will include paid input sessions with community members. The first pilot is expected to launch at the end of 2021 with 50 homes and a second similarly-sized pilot in 2022. The program will then scale up in 2023, with a goal of 1,000 homes/year.

The William Penn Foundation awarded \$140k to PEA's partner Benefits Data Trust to support the development of a coordinated intake and integrated program delivery platform for Built to Last. The initial phase of software development will expand benefits screening at Neighborhood Energy Centers to include home improvement programs.

V. Water/Sewer Service Line Protection Program

The Water & Sewer Service Line Protection program now has 90,000 customers enrolled and has saved homeowners \$13.4 million in repair costs. 73% of claims have been completed by MWDBE and only 7.5% of claims had a PWD notice of defect (NOD). This year the price of coverage to consumers has increased due to the previous contract expiring, but the cost is still under \$10 per month. PEA reduced our program fees in order to keep the price affordable. Along with the Water and Sewer Line Protection Program, AWR is launching six additional home warranty programs, which will be available to customers currently enrolled.

VI. C-PACE

The Philadelphia C-PACE program closed the 3rd deal in Pennsylvania -- a retroactive financing of energy efficiency measures completed at the Philadelphia Met, bringing PEA's C-PACE program to a total of \$8MM in projects in the first year. We have collected over \$85k in program fees, which is higher than we projected this year. There were minor changes made to the program guidelines this quarter and 3 firms have been added to the Qualified Engineering Professional list. There are about 54 projects in the pipeline through FY23 and market education and outreach is ongoing.

VII. Philadelphia Green Bank

The PEA Board has received an informational briefing regarding the Green Bank. PEA will have more information to share with the public at the next Board meeting.

Treasurer's Report (20 minutes)

I. Budget and Financial Review

Financial statements were provided to the board prior to the meeting. Ms. Schapira gave an overview of the financials. PEA's overall cash position looks good, at this point in time PEA has still not received the City grant yet, but expects to receive \$518K as opposed to the \$743k they received last year.

New Business

No new business to come before the board.

Adjournment

Ms. Adams moved to adjourn the meeting, which was duly seconded and unanimously approved.

The next quarterly board meeting will be held on February 10, 2020.

Respectfully Submitted,



Secretary of the Board of Directors