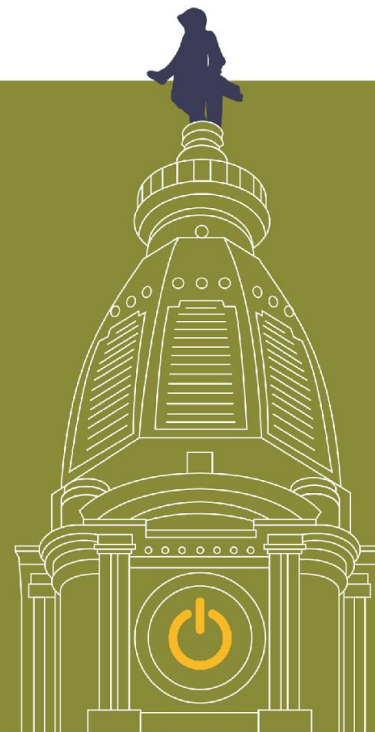




Board Update – Q3 FY23

April 26th, 2023

Emily Schapira, *President & CEO*



Organizational Updates

- Workforce Development Coordinator
- Budget Proposal and Hearing 4/19/23
 - \$3MM request, includes IRA and capacity building hires

Sec. Granholm & Sen. Casey IRA Visit (3/17/23)



Tour Stops:

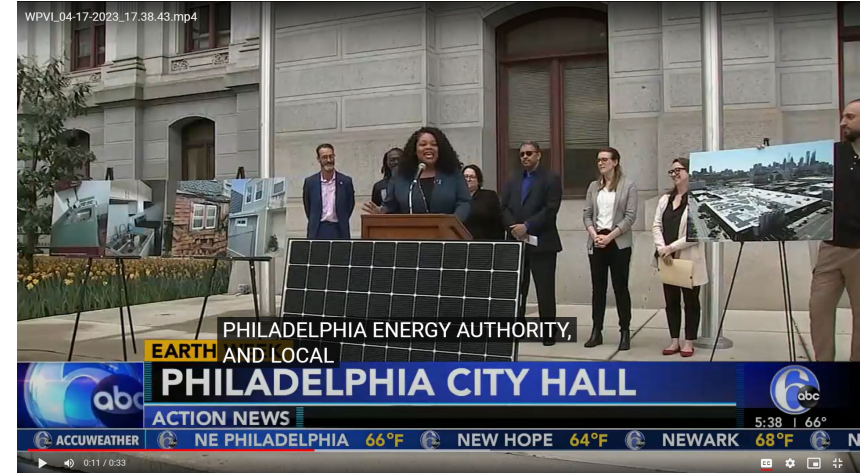
- Frankford High School Solar Training Lab
- Built to Last participant home
- Yards Brewery

PA Public Utility Commission Briefing

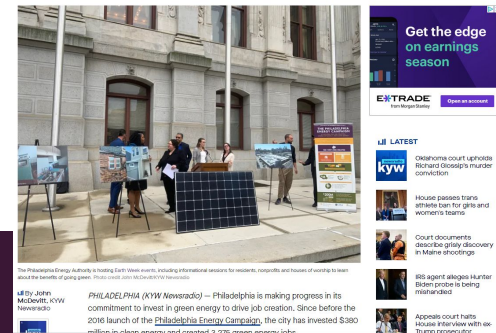
- PEA provided a projects and program update to the PUC in March
- Commissioner DeFrank provided opening remarks, staff reps for other Commissioners in attendance
- Provided topics for PUC consideration:
 - Interconnection Process at Northeast Airport
 - Virtual Net Metering
 - New Service and Metering Delays
- Follow up: Commissioner Zerfuss visiting GRIT cohort at ECA on May 11

Earth Week Press Event at City Hall

- Announced **\$380MM in investment and 3,275 jobs created** to date via the Energy Campaign
- Nearly \$90MM and 771 jobs in 2022 alone, with 75% of the investment and jobs from PEA-run programs as opposed to City/SDP projects
- Councilmembers Gilmore Richardson and Harrity spoke
- Staff from the offices of Councilmembers Clarke, Brooks, Vaughn, Driscoll in attendance
- Coverage on ABC6, KYW



With Earth Day on the horizon, Philadelphia Energy Authority touts progress toward green energy future



City Budget Hearing (4/19/2023)

- PEA had its first solo budget hearing on April 19
- Highlights:
 - PEA has received an average of \$796K annually from the City over the last 6 FYs
 - Catalyzed an average of \$63.3MM per year of clean energy investment over the course of the Energy Campaign
 - **80X return on every dollar the City has invested in PEA**
 - Asked for an increase to the City's investment in our work to an FY24 allocation of \$3MM
 - Would account for 31% of PEA's annual budget, in line with previous years
 - PEA has raised over \$6MM in other funds for FY24



Inflation Reduction Act

- City budget ask included new two hires and consultant support to maximize impact of IRA in Philadelphia
 - Grant application, management + capital project procurement and management
- IRA event for nonprofits and houses of worship during Earth Week >>>
- RFP closed for IRA consultant on 4/21, reviewing responses
 - Support strategic planning toward \$5B goal
- Updated Greenhouse Gas Reduction Fund guidance released
 - Notice of Funding Opportunity expected June 2023



Inflation Reduction Act

- Grants submitted
 - Climate Pollution Reduction Grant
 - DVRPC submitted for \$1MM for regional planning
 - Environmental Justice Government-to-Government (EJG2G) Program
 - OOS submitted \$1MM application for place-based heat and flooding initiatives
 - Resilient and Efficient Codes Implementation (BIL)
 - PA DEP submitted for \$3.25MM
 - Renew America's Schools (BIL)
 - SDP submitted 2 applications, \$15MM each, for EE improvements at Loesche + bus garages

Philly Streetlight Improvement Project

- Fixtures, lighting management system selected
- Investment Grade Audit report to be delivered in May
- Bond issuance underway with City Treasurer's Office, expected mid-June
- Project on track to begin construction in Summer 2023
 - Website will feature a two-week look-ahead map so neighborhoods know when their lights are being replaced
 - 8-10 crews in the field at any given time





Adams Solar

- Project on track to meet target COD – December 2023
- Reviewing bids for electrical and fencing work
- 60% of piles in the ground
- Civil construction underway on west side of the property
- Have 25MW of modules on site
- Substation work to begin in early June
- On-the-job training opportunities for PEA workforce development program participants slated for Summer 2023
 - Training on mechanical and/or electrical work, depending on areas of interest of participants



Northeast Philadelphia Airport Solar PPA

- RFP canceled in early April
- Project will be re-procured in 2023
 - Interconnection delays coincided with significant market volatility (e.g. cost and availability of solar panels, interest rates)



Credit: Philadelphia International Airport/Facebook

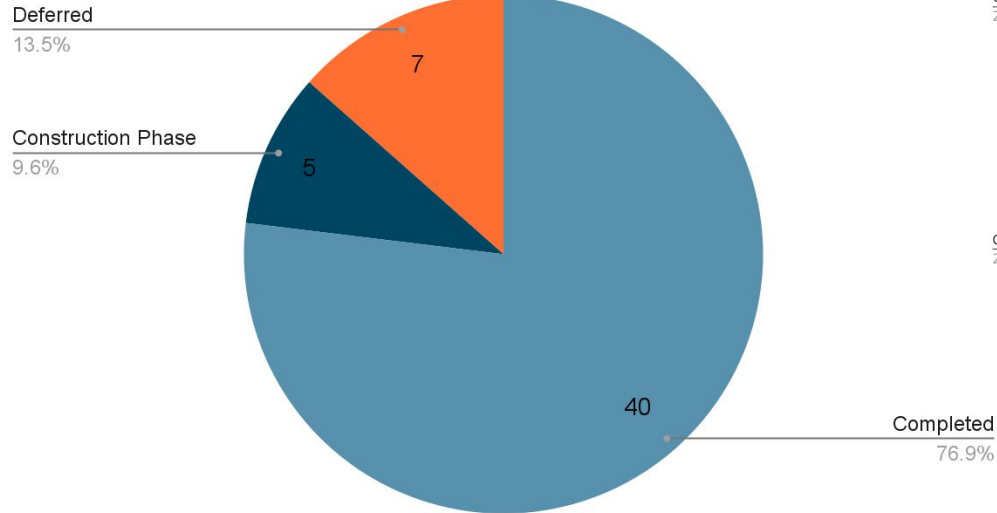
School District of Philadelphia



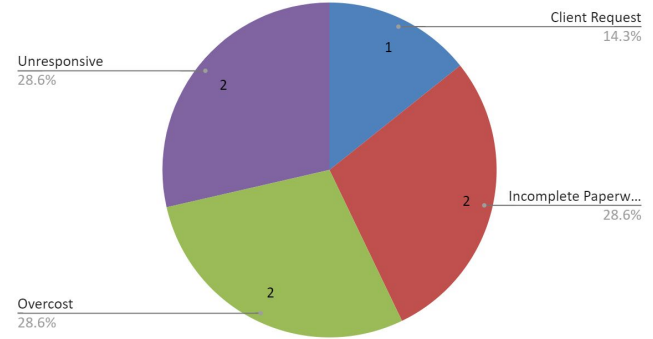
- PEA met with new CFO Mike Herbstman
- Now hiring [Energy Manager](#) in lieu of coordinator
- New Director of Capital Programs - Anthony Arizmendi
- Frankford HS closed through end of school year at least for asbestos
- Ongoing construction in GESA-2 and GESA-3, working to keep GESA-1.4 moving forward.

Built to Last Pilot

Phase 1 Project Status (52 total)

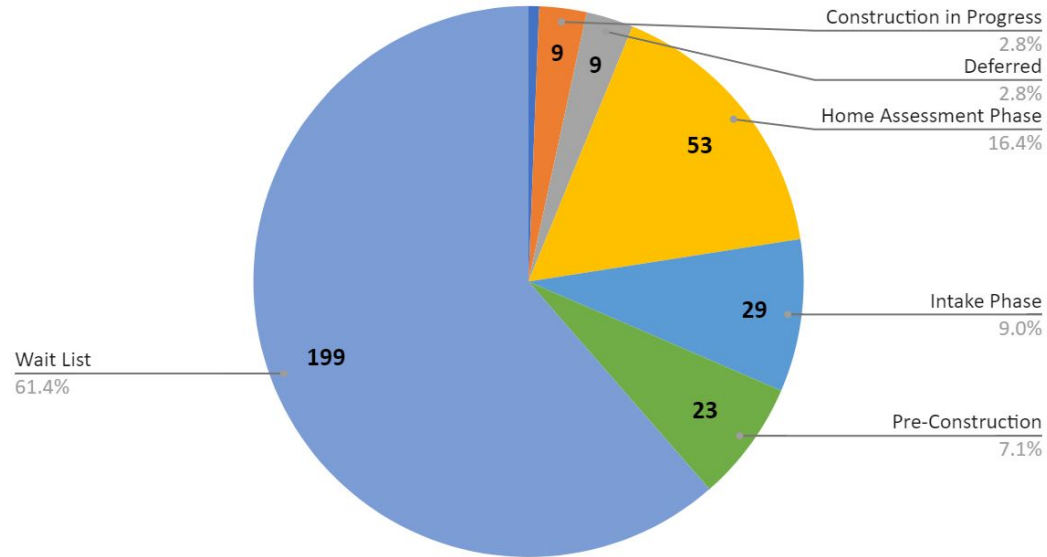


Deferral Reason



Built to Last Phase 2

Phase 2 Project Status (324 projects)



Spending by Partner

3.4

Average programs per home

\$39k

Average spending per home

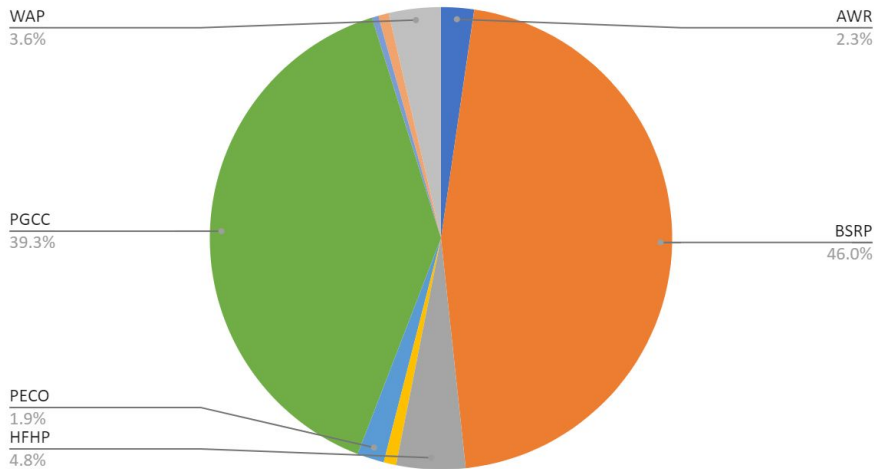
\$15k

Average PEA spending per home

\$2.6m

Total spending projected by all programs (including solar)

Spending by Program



Phase 5+6 (Sept 2021-Dec 2022)



- Introduced a solar lease option with PosiGen, no up-front cost, 3rd party maintenance and tax credits
- LMI projects have some subsidy through SREC purchases
- Launched Commercial Solarize w/ Solar States and EDPR (which includes new PPA option)
 - 60 commercial projects in pipeline

Phase 5&6 Contracts Signed

- **LMI Residential:** 143
- **Market Rate Residential:** 347



Phase 7 (2023)



- New Phase enrollment started in January 2023

Phase 7 Goals

- **LMI Residential:** 250 homes
- **Market Rate Residential:** 500 homes

Phase 7 Contracts Signed

- **LMI Residential:** 12
- **Market Rate Residential:** 144



Progress to Date (Residential)



Contracts Signed as
of Today



Contracted Solar
Capacity



\$ Invested in Philly's
Clean Energy
Economy



Households
Signed up



Direct Jobs Created

Phases 1-4

779

3.9 MW

\$13+ million

6,500+

98

Phases 5-7

646

2.7 MW

\$10+ million

20,000+

~72



Solarize Philly

March 22 at 11:00 AM · 🌐

We'll be presenting about Solarize Philly at tomorrow's [South of South Neighborhood Association](#) and [Center City Residents' Association](#) Community Meeting - Thursday, March 23rd at 6pm. Join us to learn how you can go solar at home!



Who

- Any home or business owner in Philadelphia

What

- Vetted Installers
- High-Quality Equipment
- Discounted Prices

Why

- Save Money
- Create Local Jobs
- Take Action on Climate Change

Join us to learn more:

South of South Neighborhood Association & Center City Residents Association Community Meeting

**Thursday, March 23rd at 6pm
1901b Washington Ave**

FOR MORE INFORMATION:
solarizephilly.org



Solarize Philly

March 2 · 🌐



PHILADELPHIA
ENERGY AUTHORITY

Solarize Philly

Fishtown Info Session

March 1, 2023



0:03 / 39:27



Fishtown Neighbors Association

March 1 · 🌐

Thank you to [Solarize Philly](#) for informing us about how to get solar panels Fishtown! If you missed tonight's session, no problem, we recorded it. Enjoy at your... [See more](#)





Philadelphia Energy Authority

March 17 · 🌐

PEA had the opportunity to lead [U.S. Senator Bob Casey](#) and [Secretary Jennifer Granholm](#) on a tour of our successful clean energy projects in Philadelphia.

Special Thanks to [Yards Brewing Co.](#) and [Frankford High School](#) for being great hosts!



Philadelphia Energy Authority

January 30 · 🌐

Reminder: PEA and the Office of Sustainability will be at the [Bella Vista Neighbors Association](#) meeting next week, Monday, February 6th to talk about opportunities to reduce your energy bills.

Register here:

PENNSYLVANIA

Climate Friendly Homes Can Save:

Utility costs:

\$787 per year

Emissions reductions:

3.3 tons of CO₂ equivalent per year



Savings per household
Source: MHI et al. 2017

CLIMATE  CENTRAL



EVENTBRITE.COM

Climate Positive at Home: Inflation Reduction Act Rebates & Tax Incentives

The Office of Sustainability (OOS) and the Philadelphia Energy Authority (PEA) will present on ...



American Water Resources Partnership

- ~90K customers in flagship Water and Sewer Line Protection Program
- 25K+ enrolled in new protection products
- \$49MM+ saved in repair costs for consumers
- 74% of claims to date serviced by M/W/DBE contractors
- 5% of all claims had an NOD from PWD
- majority of infrastructure repairs are self-identified
- 5,500/month calls handled, 92% Customer Satisfaction

Frankford High School Updates

Major Support

PECO-Funded Solar Instructor Coach FY 22-23, Ky Sanders

Impact

- 15 10th Graders started in the Fall 2022
- First year of graduating 12th graders
- Focus on internships, summer programming and ongoing recruitment
- School is closed, seeking new summer location
- New teacher coming in Fall 2023



Bright Solar Futures Program (OppY)

Partnership w/ PowerCorpsPHL

- **Cohort 4:** January 17, 2023, 13 for training + 6-week internships
- Piloting reduced curriculum focused on solar and electrical
- Adams Solar Residency for commercial training experience upcoming in Spring 2023

Total Results so far:

- 3 Cohorts: 47 participants enrolled, 28 Completed (60%)
- 24 Students were placed into paid internships (86%)
- 10 NABCEP Associates Certifications, 14 OSHA-30s
- 21 Placements to date (Jobs/Apprenticeships) (75%)





Green Retrofit Immersive Training (GRIT)

Key Stats:

- 18-week Green Residential Construction Program, includes 6-week field internship
- 2 Cohorts launched, 33 participants completed
- 25 completed Internships
- 80% placed into jobs, post-internship completion
- Average Wage: \$18.76 per hr
- Ongoing placement and follow-up services through September 2023
- 3rd cohort launched April 2023
- Funded by the EDA thru Good Jobs Challenge and other funders



GRIT Job Fair at ECA.

Credit: PEA 2022



C-PACE Program

- Closed first two multifamily projects in February
- Deals closed through March 2023
 - Philly: 13 projects; \$157MM
 - PA Counties: 9 projects; \$49MM
- Very busy with in-person and online events – 7 during Jan-Mar and another 7 in April



Somerset Station Groundbreaking, March 20, 2023

New Construction: Somerset Station

Property Type: Multifamily

Financing Amount: \$17,914,777

Rate and Term: 6.7%, 30 years

Close Date: 2/10/2023

Building Measures: Building envelope, HVAC, lighting, domestic hot water

Environmental Impact: 26% more efficient than required by Philadelphia's building energy code; reduction of the building's total lifetime carbon footprint by 22,620 metric tons of CO2 equivalent

Neighborhood: Kensington/Port Richmond



Property Owner: Riverwards Group



Capital Provider: Nuveen Green Capital



Qualified Engineer: EE Consultants LLC

New Construction: 5th and Spring Garden

Property Type: Multifamily

Financing Amount: \$40,000,000

Rate and Term: 7.2%, 30 years

Close Date: 2/28/2023

Building Measures: Building envelope, HVAC, lighting, domestic hot water

Environmental Impact: 30% more efficient than required by Philadelphia's building energy code; reduction of the building's total lifetime carbon footprint by 28,354 metric tons of CO2 equivalent

Neighborhood: Callowhill



Property Owner: Southern Land Company



Capital Provider: Nuveen Green Capital

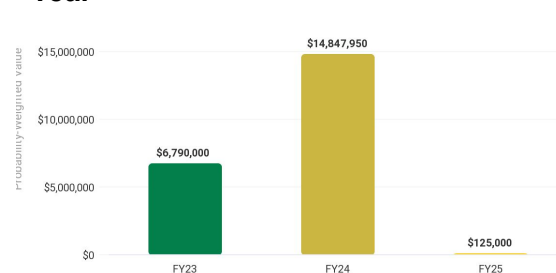


Qualified Engineer: EE Consultants LLC

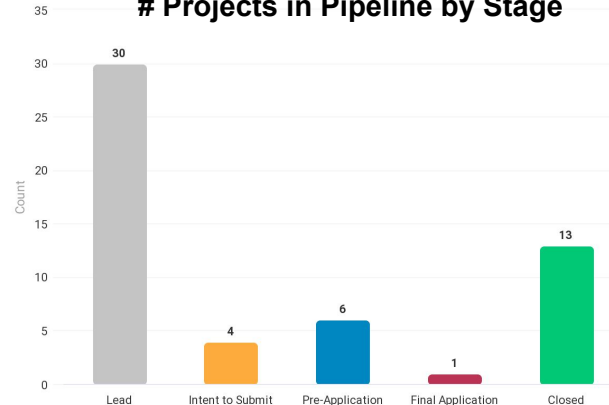
C-PACE Pipeline Update

- 41 projects in pipeline (down from last quarter)
- Probability-weighted average value of pipeline is ~\$24 MM (down from last quarter but \$57MM closed)
- Likely to see 4-5 projects close by mid-summer

Weighted Probability: Pipeline by Fiscal Year



Projects in Pipeline by Stage



Virtual Power Plant (VPP)

- **Request for Information (RFI)** released on October 13, 2022
- **11 responses received** on December 19, 2022
- Follow-up conversation held with select group of (7) RFI respondents
 - Key reviewers joined meeting incl PEA staff, Energy Office, DEP, DVRPC, Penn State and WRI
- Finalizing SOW for VPP Consulting Services for technical support in developing VPP RFP
- Partnered on DOE grant application to pilot VPP technologies in Philly
- Matt speaking on VPPs at Mid-Atlantic RE+ in Philly this July



Zero Emissions Technologies Program in the Greenhouse Gas Reduction Fund

Zero Emission Technologies Program

<i>Total funding available</i>	\$7 billion
<i>Eligible applicants</i>	States, municipalities, Tribal governments, eligible nonprofits
<i>Anticipated applicants</i>	Coalitions of eligible entities
<i>Number of awards</i>	Up to 60 awards
<i>Eligible uses</i>	<ul style="list-style-type: none">• Residential solar• Community solar (not currently widely available in PA)• Storage paired with residential or community solar• Related measures such as roof repairs and electrical upgrades <i>Priority is on LMI homes and communities</i>
<i>Compatible programs</i>	<ul style="list-style-type: none">• Solarize (esp. LMI component)• Built to Last• Residential VPP

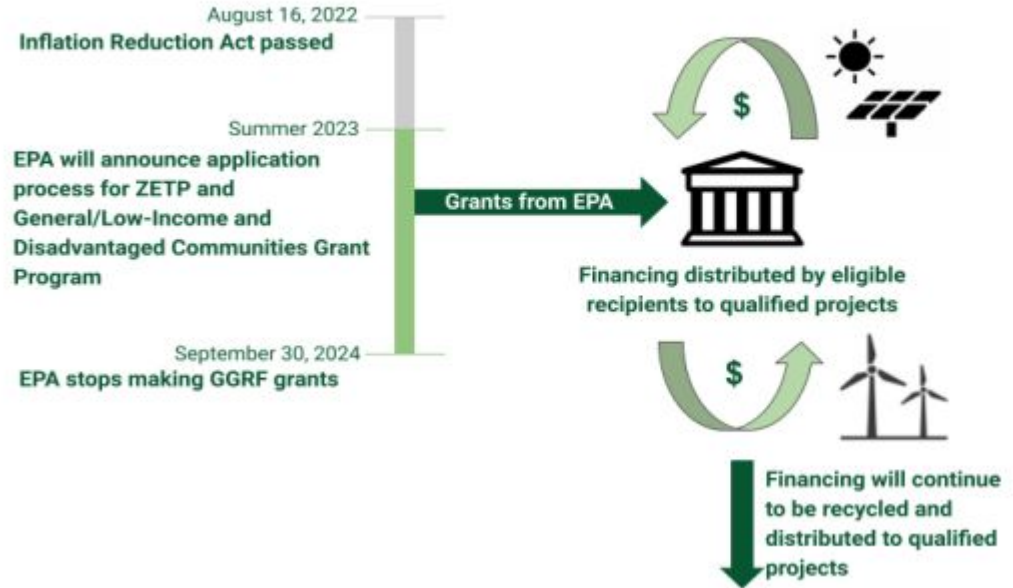


Greenhouse Gas Reduction Fund: Process & Timing

Key dates:

- Spring 2023: Community Roundtable series
- Early Summer 2023: NOFO released
- Early Fall 2023: Applications due
- Late 2023/Early 2024: Winners announced
- Throughout 2024: Funds distributed

Implementation Timeline



Source: Rocky Mountain Institute



PGCC Operational & Funding Update

- **Open position:** Operations Coordinator
- Supporting financial components of **Phase 2 of Built to Last** (~\$1.5MM budget)
- Seeking **line of credit** to support up to \$15MM of PGCC & PEA's reimbursable grants
- Assessing funding opportunities in the **Inflation Reduction Act** with PEA
- Applied for ~\$4MM of grant funding in first quarter of 2023
- FY23 budget on track

Contact

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philadelphiaCPACE.org

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phillygreencapital.org

