

MINUTES OF MEETING
BOARD OF DIRECTORS OF
PENNSYLVANIA ENERGY DEVELOPMENT AUTHORITY

JUNE 23, 2005

Board Members Present:

Sec. Kathleen A. McGinty, Chairman
Rep. Gibson C. Armstrong
Ray Bologna
Virginia L. Brown
Ty Christy
Rep. Peter J. Daley, II
Frank Sparrow, designee for Chairman Wendell F. Holland
Tanya McCloskey, designee for Irwin A. Popowsky
Paul Wentzel, designee for Sec. A. William Schenck, III
Dep. Sec. Cheryl L. Cook, designee for Sec. Dennis C. Wolff
Sen. John N. Wozniak
Sec. Dennis Yablonsky

DEP and DCED Staff:

Daniel Desmond
Jeanne Dworetzky
Eric Thumma
Bill Shakely
Dave Barnes
Joe Sherrick
Libby Dodson

Public:

Richard Rosey
Doug Farnham
Dennis McAndrew
Rep. Ted Harhai
Richard Rossi
Tom Trimm
Lazar Palovick
Claus Thieme
Mark Fortney

Xiaochun Xu
Frank DiConn
Scott Mengle
Peter Krajsa
Mark Shaffer
Kevin C. Kerns
Don Bradley
John Knott
Kevin P. Reilly
Chris Getty
Rob Sanders
Steve Gabrielle
Joyce Ferris

Secretary McGinty called the meeting of the Board of Directors of the Pennsylvania Energy Development Authority (PEDA) to order a few minutes after 10:00 a.m. She welcomed two newly appointed PEDA board members: Senator John N. Wozniak and Representative Peter J. Daley, II.

Consideration of Minutes of March 2, 2005 Board Meeting

The Board considered the draft minutes of the March 2 board meeting, which had previously been circulated to them by the Executive Director for review. There were no comments on the draft minutes. A motion to approve the minutes was made and seconded and was carried unanimously.

Frank Sparrow, Chairman Holland's designee on the Board, noted that he would abstain from voting on financing decisions for projects for this meeting.

Consideration of Projects Recommended for Financing

Jeanne Dworetzky briefly reviewed the criteria in PEDA's first \$10,000,000 solicitation, which was open from April 1 through May 13, 2005. 47 applications seeking \$28,457,255 in funding were submitted to PEDA in response to that solicitation. Four of those were seeking loans, 18 were seeking grants for deployment of projects and 25 were applied research grant proposals. Each application was carefully reviewed and scored by technical and management level reviewers from PEDA and Department of Environmental Protection (DEP) staff.

Staff recommended 17 of those projects, totaling \$10,000,000, for PEDA financing. Recommended projects included one loan, nine grants for deployment projects and seven grants for applied research. Recommended projects included two landfill gas projects, one biomass project, four energy efficiency or distributed generation projects, two fuel cell projects, five recycled energy/energy recovery projects, two solar power projects, two waste coal projects, one wind project and two others.

Jeanne Dworetzky and Eric Thumma then described each of the 17 recommended projects individually and explained why they had scored favorably. Benefits of the recommended projects included approximately 1,016,813 MW of energy production, 1448 MW of energy conserved, SO2 reductions of 526 tons, CO2 reductions of 66,235 tons, NOx reductions of 147 tons and 5.43 lbs of mercury reduced. The following projects were recommended:

Loan:

Community Energy, Inc.	\$1,000,000
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After discussion, Secretary Yablonsky made a motion to approve financing for the recommended loan project. That motion was seconded and unanimously approved by the Board.

Grants for Deployment Projects:

Southeastern Chester County Refuse Authority	\$500,000
Pristine Resources, Inc.	\$3,500,000
Advanced Energy Partners, LLC	\$425,000
PPL Energy Services Holdings, LLC	\$650,000
AFC First Financial Corporation	\$77,337
Energy Coordinating Agency	\$264,546
EQA Landmark Communities	\$413,477
Capital Technologies, Inc.	\$162,629
C/G Electrodes, LLC	\$491,114

After discussion, Senator Wozniak made a motion to approve funding for the nine recommended deployment grants. That motion was seconded and unanimously approved by the Board.

Grants for Applied Research:

Plextronics, Inc.	\$300,000
Solar Power Industries, Inc.	\$302,676
PFBC Environmental Energy Technology, Inc.	\$1,000,000
Franklin Fuel Cells, Inc.	\$460,000

Advanced Fibers & Powders, LLC	\$139,960
Pennsylvania State University	\$130,342
Pennsylvania State University	\$182,919

After discussion, Representative Daley made a motion to approve financing for the seven recommended research grants. That motion was seconded and unanimously approved by the Board.


Meeting Schedule

Secretary McGinty noted that the next board meeting will include consideration of the board's Annual Report and draft Energy Development Plan and might also include consideration of River Hill, a large waste coal project seeking PEDFA bond financing. Jeanne Dworetzky noted that the next board meeting was tentatively scheduled for late September.

Public Comment

No public comment was offered.

The meeting was adjourned at 11:19 p.m.



Gibson C. Armstrong, Secretary

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Date