

**MINUTES OF MEETING
BOARD OF DIRECTORS
PENNSLVANIA ENERGY DEVELOPMENT AUTHORITY**

May 9, 2024

10:03 a.m. – 11:29 a.m.

Room 105, Rachel Carson State Office Building and via MS Teams

Board Members/Designees Present

Acting DEP Secretary Jessica Shirley, Chair
Designee Adam Walters (for Sec. Rick Siger, DCED)
Patrick Cicero, Consumer Advocate
Designee Cheryl Cook (for Sec. Russell C. Redding, Agriculture)
Designee Paul Wentzel (for Sec. Wendy Spicher, Banking and Securities)
Designee Matt Wurst (for Chairman Stephen DeFrank, PUC)
Designee Stephon Petro (for Rep. Elizabeth Fiedler)
Designee Matt Osenbach (for Sen. Gene Yaw)
Designee Glendon King (for Rep. Joshua Kail)
Designee Emily Eyster (for Sen. Carolyn Comitta)
Sarah Hetznecker
Romulo L. Diaz, Jr.
Bernie Lynch

DEP Staff

David Althoff, Jr., PEDA Staff, EPO
Geoff Bristow, Acting Executive Director, PEDA
Alayna Schmeider, PEDA Staff, EPO
Greg Smith, PEDA Staff, EPO
Laura Rigge, PEDA Staff, EPO
Robert F. Teplitz, Special Counsel
Dr. Colleen Unroe, Policy Fellow, Policy Office

Public/Other Attendees

Joseph Cullen
Philip Ehrig, Grants Manager, Governor's Office of Critical Investments
Chad Forcey
Matthew Henderson
Dr. Brian Regli, Executive Director, Governor's Office of Critical Investments
Brendon Slotterboch
John West

CALL TO ORDER AND APPROVAL OF MINUTES

The meeting was called to order at 10:03 a.m. by Chair Jessica Shirley, Acting Secretary of the Department of Environmental Protection. Acting Executive Director of PEDA Geoff Bristow conducted the roll call at the beginning of the meeting and a quorum was established.

The Board considered its first item of business – the February 22, 2024, PEDA Board meeting minutes. Matt Wurst asked that the minutes be amended to reflect that he was present at the meeting as the designee for PUC Chairman DeFrank. Paul Wenzel moved to adopt the May 9, 2024, meeting minutes as amended. Romulo Diaz seconded the motion, which was unanimously approved by the Board.

FINANCIAL UPDATE

Assistant Treasurer Alayna Schneider provided an update of PEDA’s financial status. The following is the report as of March 31, 2024:

Energy Development Funds (PEDA) – \$2,976,781

- Admin + Planned Expenditures YTD: \$135,000
- Commitments:
 - Hydro Green: \$499,913
 - Contract Commitments (PFM): \$168,440
 - Contract Commitment (NEIF): \$237,848
 - Planned EAP “Product 1” Fund: \$1,000,000
- Available balance: \$935,580

There was no further discussion by the Board.

ENERGY ACCELERATOR PROGRAM (EAP) Updates

Acting PEDA Executive Director Geoff Bristow and PEDA staff member Alayna Schneider provided updates on the three programs under the umbrella of the Energy Accelerator Program (EAP): KEEP Home Energy Loan, MORE Municipal Energy Grant/Loan, and Solar for All.

The KEEP Home Energy Loan program is currently open, and the program offers affordable financing to PA homeowners for energy efficiency upgrades, using \$1 million of funding from the Energy Development Fund with a 10:1 leverage provided by contractor National Energy Improvement Fund, LLC (NEIF). The program launched on April 8, 2024 and is available statewide. The next steps for the program are to market the program further, expand the approved contractor list, and identify potential additional consumable capital.

The MORE Program will launch on June 3, 2024 and will close on October 25, 2024. The program offers affordable financing to PA local governments for energy efficiency upgrades, using \$6.3 million in funding from the Energy Efficiency and Conservation Block Grant (EECBG) and Energy Efficiency Revolving Loan Fund from the U.S. Department of Energy (DOE) to leverage \$9 million through contractor NEIF. The next steps for the program are conducting outreach to eligible communities, launching the program, and expanding the approved contractor list. Bernie Lynch asked if PEDA staff or NEIF would follow up on outreach with eligible communities, and Alayna Schneider answered that she would be the initial point of contact. Romulo Diaz asked for clarification on who would be eligible for the program, and Alayna Schneider answered that any local government that did not receive an EECBG grant directly from DOE.

PEDA was notified that it has been awarded a \$156 million grant through EPA's Solar for All program. The purpose of the program will be to invest in residential solar installation, home repair to enable solar, workforce development, and community solar. PEDA is currently working on the grant agreement with EPA and developing the program, which is expected to open in 2025.

Patrick Cicero asked if the 20% savings target referred to monetary savings or energy consumption. PEDA staff member Greg Smith clarified that the 20% savings referred to monetary savings.

Stephon Petro from Rep. Fiedler's staff asked if the program would use power purchase agreements and whether the owners would be eligible for the for solar renewable energy credits (SRECs) and responsible for managing them. Greg Smith answered that they envisioned both leases and loans being available, and owners would likely be eligible for SRECs and responsible for managing them. Stephon Petro also asked if the federal requirements included Davis-Bacon wage requirements. Greg Smith answered that current EPA guidance has included Davis-Bacon requirements for solar installation itself, but it may not apply to other parts of the process.

Matt Osenbach from Sen. Yaw's staff asked if PEDA believed that it would need authorizing language from the General Assembly to expend Solar for All funds. Dr. Brian Regli asked that that question be directed toward Budget Secretary Uri Monson, as he would be better positioned to answer that question.

Because PEDA's contract with NEIF, which the Board approved at its July 6, 2023, meeting, already includes a renewal option built into the contract, Board approval was not needed to renew PEDA's contract with NEIF. However, PEDA would submit the appropriate paperwork to NEIF to renew the contract for another year. PEDA does need Board approval to extend PEDA's contract with PFM Financial Advisors LLC (PFM) for another six months without increasing the budget.

Glendon King from Rep. Kail's staff asked if there was a chance that the PFM contract would need to be continued past December 2024. Geoff Bristow answered that it was possible. Glendon King asked if the Board could move to the next agenda item before voting on the contract extension. Chair Jessica Shirley agreed to move to the next order of business before voting.

PEDA STAFFING PLANS

Acting Executive Director Geoff Bristow presented the Board with an update about PEDA staffing plans. PEDA currently has three dedicated staff members and two other staff members providing program support. Because of increased federal funding through Solar for All and PEDA's designation as a State Energy Financing Institution (SEFI), PEDA plans to hire at least five additional staff.

Glendon King asked if the federal funds would need to be in hand in order to start the hiring process. Dr. Regli said that Pennvest, of which he serves as chair, would be an appropriate model to consider as the Board addresses staffing levels at PEDA. Chair Jessica Shirley said that the timelines would be dependent on Budget Office approval.

Romulo Diaz commented that, based on his experience as a former assistant administrator at EPA, he believed the outlined proposed staff would be necessary in order to implement the program in a way that provides maximum benefit to Pennsylvanians. He also endorsed the extension of the contract with PFM. Patrick Cicero concurred with Romulo Diaz and added that he would like to see the appointment of a non-acting, full-time Executive Director for PEDDA. Bernie Lynch also expressed her support for increasing PEDDA staff and prioritizing hiring full-time leadership.

MOTION TO EXTEND CONTRACT WITH PFM

Chair Jessica Shirley asked if there were any more questions. There were none, and so she asked the Board to consider the following motion:

The PEDDA board authorizes and directs staff to extend PEDDA's current contract with PFM Financial Advisors LLC (Purchase Order No. 4300795969, dated December 15, 2023) for PFM to continue to provide strategic consulting services to PEDDA for another six months beginning on July 1, 2024, or until the exhaustion of the original \$120,000 contract amount from the Energy Development Fund as authorized by the Board at its meeting on November 13, 2023, whichever comes first.

Romulo Diaz moved to extend the contract, and Patrick Cicero seconded the motion. There was no discussion on the motion, and the motion passed with 9 ayes, 2 nays from Matt Osenbach and Glendon King, and no abstentions.

Following the vote, Romulo Diaz asked if PEDDA's website could be updated as part of a robust marketing effort, given the number of programs being discussed at the meeting. PEDDA staff member Greg Smith said that the website would be updated due to Solar for All and that he envisioned a standalone Solar for All resource website in the future. Chair Jessica Shirley added that DEP was in the midst of a website migration, resulting in a two-week blackout period for any updates, but that the website would be updated afterwards.

2024 ENERGY DEVELOPMENT PLAN REVISION

Geoff Bristow gave an update on the 2024 Energy Development Plan. The current plan was distributed to the Board in February, and suggested revisions will be presented to the Board at the August 22, 2024, Board Meeting. If approved, the draft plan would be released for public comment in the Fall of 2024 and finalized at the first meeting in 2025.

NEW BUSINESS

Matt Osenbach commented that the Senate Republican caucus' legal office believes that authorizing language will be necessary to expend Solar for All funds and would reach out to the Budget Office as Dr. Regli had suggested.

Glendon King asked that the slides presented at the meeting be provided further in advance of future meetings.

PUBLIC COMMENT

John West of 21st Century Wind, Inc. provided comment about his patented wind turbine generator for low and moderate winds, which is looking to provide renewable electricity in Somerset County.

Chad Forcey, Executive Director of the Pennsylvania Conservative Energy Forum, supported 21st Century Wind's proposal and also commented on the importance of local siting reform to energy development.

MEETING ADJOURNED

Hearing no other questions or business to bring before the Board, Chair Jessica Shirley asked for a motion to adjourn the meeting. Bernie Lynch motioned to adjourn, and Matt Osenbach seconded. The meeting adjourned at 11:29 a.m.