MINUTES OF MEETING
BOARD OF DIRECTORS
PENNSLVANIA ENERGY DEVELOPMENT AUTHORITY
February 22, 2024
10:03 a.m. – 11:56 a.m.
Delaware Room, Rachel Carson State Office Building and via MS Teams

Board Members/Designees Present
Interim 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)
Vice Chair Kim Barrow (for Chairman Stephen DeFrank, PUC)
Rep. Elizabeth Fiedler
Designee Stephon Petro (with Rep. Elizabeth Fiedler)
Designee Matt Osenbach (for Sen. Gene Yaw)
Designee Glendon King (for Rep. Joshua Kail)
Designee Emily Eyster (for Sen. Carolyn Comitta)
Laureen Boles
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
Laura Rigge, PEDA Staff, EPO
Robert F. Teplitz, Special Counsel
Sarah Pinter, Energy Program Specialist, EPO
Ezra Thrush, Director, Policy Office
Jayneisha Davis, Executive Assistant, Office of Programs
Maximillian Schultz, Policy Specialist, Policy Office

Public/Other Attendees
Abbey Cadden, Infrastructure Coordinator, Office of the Governor
Monica Carey
Elowyn Corby
Shannon Crooker, Generation 180
Joseph Cullen
Laura Edinger
Philip Ehrig, Grants Manager, Critical Investment, Office of the Governor
Evan Endres
Melissa LaBuda, PFM
Lisa Lawrence, PFM
Matteo Latorraca Rodrigo, Infrastructure Coordinator, Office of the Governor
Clint Noack, DLC

Dr. Brian Regli, Executive Director, Critical Investments, Office of the Governor
Brendon Slotterback
John Walliser

CALL TO ORDER AND APPROVAL OF MINUTES
The meeting was called to order at 10:03 a.m. by Chair Jessica Shirley, Interim 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 November 13, 2023 PEDA Board meeting minutes. Patrick Cicero moved to adopt the November 13, 2023 meeting minutes. Cheryl Cook seconded the motion, which was unanimously approved by the Board.

FINANCIAL UPDATE
Geoff Bristow provided an update of the financial status of PEDA's two funds. The following is the report as of December 31, 2023:

Energy Development Funds (PEDA) – $2,935,065

- Admin + Planned Expenditures YTD: $135,000
- Commitments:
  - Hydro Green: $499,913.00
  - Contract Commitments (PFM): $168,440
  - Contract Commitment (NEIF): $237,848
  - Planned EAP "Product 1" Fund: $1,000,000
- Available balance: $893,864

There was no further discussion by the Board.

ELECTION OF OFFICERS

Chair Jessica Shirley moved to the next item of business, the election of officers. The PEDA Board is required to elect the Board Treasurer and Board Secretary at the first meeting of each year. Romulo Diaz agreed to continue to serve as PEDA Board Treasurer and Secretary of Community and Economic Development Rick Siger, who is represented on the board by his designee, Adam Walters, has graciously agreed to continue to serve as PEDA Board Secretary.

Chair Jessica Shirley asked if there was a motion to elect Romulo Diaz as Board Treasurer. Bernie Lynch motioned, and Sarah Hetznecker seconded. The motion was approved unanimously.

Chair Jessica Shirley asked if there was a motion to elect DCED Secretary Rick Siger as Board Secretary. Matt Osenbach motioned, and Romulo Diaz seconded. The motion was approved unanimously.

BUSINESS DEVELOPMENT OPPORTUNITIES

Chair Shirley reminded the board that, at the last PEDA Board Meeting Dr. Brian Regli, Executive Director of the Governor's Office of Critical Investments, explained that PEDA has been recognized by the U.S. Department of Energy Loan Programs Office (LPO) as a State Energy Financing Institution (SEFI) under the Inflation Reduction Act of 2022 (IRA). This designation makes PEDA eligible to apply for federal loan guarantees to borrow funds from the federal government or private sector lenders and use those funds for certain types of clean energy programs. The IRA also creates a new and unprecedented opportunity to leverage federal Clean Energy Tax Credits, even for nonprofit organizations and other non-tax entities. There are a variety of ways that PEDA can use its new status as a SEFI to support PEDA's mission, while also taking advantage of the IRA tax credits.

Chair Jessica Shirley asked Dr. Regli to discuss in more detail how PEDA can use those tools to develop Clean Energy Finance Programs.

Dr. Regli started by saying that it is important to have a diversified energy portfolio in order to increase resiliency and mitigate climate outcomes and also to create jobs and opportunities for Pennsylvanians. Dr. Regli and his staff in the Office of Critical Investments are working to take advantage of the opportunities provided by the Inflation Reduction Act to take liabilities and turn them into assets. Pennsylvania has long-term liabilities relative to Environmental Justice and degradation such as abandoned mine lands and abandoned oil and gas wells, but Pennsylvania is also one of the leading energy producers on the East Coast, which puts our state in a unique position when it comes to opportunities created by the IRA.

Dr. Regli pointed out the Congressional Budget Office scored the cost of the Inflation Reduction Act to taxpayers as one-third direct appropriations and two-thirds tax credits. Those tax credits are only available to entities that have made an investment already. He said that when the government can provide direction and incentives to the market that will allow for investment to flow into areas of strategic advantage, it behooves the Commonwealth to create regulatory frameworks and policies that maximize the amount of investment made in the Commonwealth of Pennsylvania. Governments, nonprofits, and other non-taxed entities are able to claim the tax credits because of the direct pay provisions in the IRA. Dr. Regli gave an example of how tax credits could be stacked in such a way that a $10 billion appropriation could receive $7 billion in tax credits. While he cautioned that that was a hypothetical scenario, it did highlight the opportunity provided by these tax credits.

He continued by saying that PEDA is in a unique position because of its designation as a State Energy Financing Institution (SEFI). If PEDA receives an award under EPA's Solar for All grant competition, the goal will be to maximize the number of grantees who also receive tax credits. Using information provided by the Heinz Foundation, Dr. Regli illustrated how the ability to stack the tax credits is an important feature when working with developers, governmental agencies and authorities to consider investments in energy resilience.

Dr. Regli used the example of a school in Homer City that needs to replace their boiler and are considering installing a geothermal system. While they are also considering other aspects of the project, cost is a factor in their decision for a replacement. While a geothermal system may be more expensive, if they account for tax credits, a geothermal system that is domestically manufactured could receive 50% of its cost back in tax credits, which could make it the less expensive option. However, the school may not have the money to make that kind of payment up front, which is where a financing structure through PEDA could make those kinds of projects possible for schools and other governmental and nonprofit entities across the Commonwealth. When securing financing, PEDA could provide a way for governmental and nonprofit entities to use the tax credits they are eligible for as equity. The Shapiro Administration wants to promote this kind of investment and create the opportunity to strengthen the Commonwealth's energy resilience.

After Dr. Regli spoke, Chair Jessica Shirley asked if there were any questions from the Board. Romulo Diaz asked if hydroelectric dams were eligible for tax credits. Dr. Regli confirmed that hydropower was eligible for several different tax credits, including the investment tax credit, the production tax credit, and a specific tax credit for hydropower that is tied to the amount of energy that a facility produces. Dr. Regli also noted that this was an area of comparative natural advantage for Pennsylvania since the Commonwealth has the second largest number of river miles in the United States behind Alaska.

Bernie Lynch expressed her interest in promoting hydroelectric power through PEDA and asked whether the Commonwealth would take a leadership role in working with all the organizations that require permits for the projects eligible for tax credits in order to expedite the process. Dr. Regli answered that the Office of Transformation and Opportunity was created by the governor to help agencies coordinate better with their permitting processes.

Glendon King asked how the state is marketing these opportunities to smaller entities like fire companies and school districts. Dr. Regli answered that he and his team have been trying to get out the word as much as possible by giving presentations and providing materials to municipal leagues, mayors associations, and other local government groups. He said that once the program is being utilized, it will be easier to market. He also noted that the U.S. Department of Treasury has not provided much guidance for how the tax credits can be used, so he sees it as the role of his Office and the Governor's Office to articulate the value of the tax credits and promote their use.

Sarah Hetznecker asked what structure non-taxable entities will use to take advantage of the tax credits. Dr. Regli answered that there is a recently launched federal website where any organization can register for a tax credit. Organizations have to say what kind of project they will be building and how much it will cost, as well as provide documentation to prove that the organization owns the property where the project will be built. Once the project is completed and in service, the organization will file a 990 Form with a code that they received when they registered. They will then receive a check with the value of the tax credit. The Commonwealth is planning to stand up a service bureau that will provide technical assistance to organizations to help them through the process. He also noted that the Commonwealth itself will be taking advantage of tax credits through the system described.

Acting PEDA Executive Director Geoff Bristow asked if it was possible that the PEDA Board will be asked to approve a motion to submit an application as a SEFI for a large amount of money in loan guarantee. He also asked Dr. Regli to explain what the SEFI process would involve. Dr. Regli answered that PEDA is now able to apply for and receive debt service funding from the U.S. Department of Energy. He used the example of a school that wanted $2 million to build a solar array. If the legislature appropriated some money to contribute to that it could be added to other sources of equity, and PEDA could provide the debt required to ensure the project returned the value to the school and received the tax credits. The tax credit would be used to pay down a portion of the debt. The PEDA Board will have a role in both approving the application for funding and also in deciding what kind of projects will be funded with this kind of capital stack.

Patrick Cicero asked what the timeline for this application would be and how much money is available. Dr. Regli answered that PEDA will have the ability to apply for that debt service financing for another seven years, and there is $413 billion of loan capacity, although there is not a specific tranche available to Pennsylvania. He said that PEDA would be asking in the order of $50 million to $200 million.

Patrick Cicero asked if the Governor's Office envisioned PEDA and DEP as being the conduit for this funding or if they were expected to be the genesis of some of the ideas. Chair Jessica Shirley said that PEDA and DEP would not be expected to be the sole source of projects, and also noted that DEP had submitted a budget request for increased staffing for DEP's Energy Programs Office in large part because of the opportunities that PEDA affords to the Commonwealth, recognizing that PEDA and DEP will need more staff to take full advantage of the opportunities provided by the Inflation Reduction Act. Dr. Brian Regli added that the Department of Agriculture made a budget request to the legislature for the Energy Innovation Fund that will use a similar funding mechanism provided by the U.S. Department of Agriculture. Deputy Secretary of Agriculture Cheryl Cook confirmed that and said that they saw the Energy Innovation Fund as a way to turn liabilities into assets as well.

ENERGY ACCELERATOR PROGRAM (EAP): STRUCTURE AND PLANNING

Chair Jessica Shirley reminded the board that, at the last PEDA Board Meeting, the board approved a contract with PFM Financial Advisors to assist PEDA with financial management, program development, and evaluation of capital funding alternatives to support the emerging PEDA green bank, now known as the Energy Accelerator Program (EAP). She asked for Acting PEDA Executive Director Geoff Bristow to provide further background and context.

He started by saying that a year ago, the mention of a green bank or Energy Accelerator Program would have meant a product related to home energy efficiency. Now, the scope of the work that the EAP can do has expanded thanks to the unprecedented opportunities described by Dr. Regli. PEDA contracted with PFM to help develop a business model for the EAP and identify the structures, policies, procedures, and controls that are going to be necessary to go from a green bank with no offerings to an EAP with potentially several 100 million dollars in financing programs within the next several years. He asked Melissa LaBuda and Lisa Lawrence from PFM to give an overview of the plans for the structure of the EAP and discussion of each of the components.

Melissa LaBuda began by saying the EAP is designed as a warehouse of programs to accelerate clean energy and is looking to harness significant federal funding opportunities under the Inflation Reduction Act. PEDA's goals are to drive value, transform the market, provide public benefits, and attract public capital and partnerships. The EAP's products include Product 1 and Product 2, which are expected to total between $10 million and $15 million, respectively, but the opportunities under the Greenhouse Gas Reduction Fund (GGRF) are enormous. PEDA has already applied for a $250 million grant through the Solar for All program (SFA). In addition to SFA, there are two other components of the GGRF, the National Clean Investment Fund (NCIF) and the Clean Communities Investment Accelerator (CCIA), which total $20 billion and will likely be awarded to two to three national green banks. Those awardees will pass that funding through to organizations like PEDA to accelerate clean energy investments.

She continued by saying that, when launching new programs, PEDA needs to establish financial controls, workflows, and a cash flow model, define and create key performance measures, and create attractive and executable financial products, and provide ongoing support. PFM is modeling PEDA's approach on PENNVEST, which has been a successful program.

Patrick Cicero asked what the timeline for when these programs will be active. Melissa LaBuda answered that EPA is expected to announce awards for NCIF and CCIA imminently, and awards for Solar for All are expected by summer. That means that the program will have to continue to be built even after PEDA has received increased funding. Those funds will have to be deployed quickly, which is why PEDA and PFM have been working and will continue to work collaboratively across the Commonwealth and across agencies. Lisa Lawrence added that it is a problem that they have been addressing, and it has been complicated because, in the case of Solar for All, PEDA has not yet received its award so much of their work has been a pre-pre-development phase, but also should PEDA receive funding through Solar for All it will have to start deploying funds quickly, likely within the first six months. Dr. Regli added that by June he expects workflows to be established, policies and procedures will be drafted, and there will be a sense of how much federal funding will be available for staffing.

Patrick Cicero asked if they have considered utilizing PENNVEST's services instead of modeling a new structure off of them. Dr. Regli said they have been meeting with PENNVEST.

Chair Jessica Shirley asked Rep. Elizabeth Fiedler if she had any comment to make. Rep. Fiedler thanked Dr. Regli and his staff for explaining the opportunities that are available through IRA. She also said that she is excited about the bipartisan support her Solar for Schools bill has received and hopes it will go from being a great idea to a valuable asset for the Commonwealth.

EAP PRODUCT 1 UPDATE

Chair Jessica Shirley began the next item of business by providing some background on EAP Product 1. At the July 6, 2023 PEDA Board Meeting, the Board approved a contract with the National Energy Improvement Fund (NEIF) to develop up to two clean energy financing projects. At the November 13, 2023 meeting, the board voted to have NEIF proceed with the development and launch of the Product 1, a loan program to finance residential energy efficiency projects. She asked Peter Krajsa of NEIF to provide an update on the loan program.

Peter Krajsa began with a brief overview of the product. Product 1 is now titled Keystone Energy Efficiency Program (KEEP) Home Energy Loan. NEIF expects to launch this statewide at the end of March, and the goal is to provide below-market interest rates to incentivize high performing Energy Star upgrades for credit qualified borrowers. It will have statewide availability, and they are working to ensure broad dispersion throughout the state. The product is leveraging the funding provided by PEDA, and they expect to go through the first $10 million of funding quickly. The target audience is for residential project that cost between $2,500 to $25,000. NEIF is focusing on consumer protection, contractor management, and efficiency and exposure of the loan program.

Consumers will apply directly to NEIF through a secure application page, and all loans are made directly to the consumer by NEIF for work performed by authorized contractors. Improvements will qualify if they meet Energy Star standards. Contractors will be approved if they have been in business for three years, they have a history of financial stability, have satisfactory insurance, and they have to be registered with the Office of Attorney General under the Pennsylvania Home Improvement Protection Act. They also provide continuous training for contractors through the Go Greener Academy.

NEIF has developed a brochure together with the DEP Communications Office, and they have created a website for the program at keepenergyloan.org. The expect the interest rate for KEEP Home Energy Loans to be 8.99% for a 10-year unsecured loan, which is 4% lower than similar loans and was made possible through the use of PEDA's capital.

Patrick Cicero asked if the wording on the brochure could be a little simpler and clearer and maybe take the form of bullet points so it is easier to understand. He also thought that property eligibility and applicant eligibility should be broken out into two sections. Peter Krajsa agreed and said they would make those changes to the brochure. Patrick Cicero asked NEIF to clarify whether all improvements must meet Energy Star standards, or if the only primary improvement had to be Energy Star. Peter Krajsa confirmed that the primary improvement, which usually makes up 75% or more of the total project cost, would have to be Energy Star for the project to be eligible. Patrick Cicero encourage NEIF to be extremely clear with homeowners and contractors about their rights to rescind. Peter Krajsa confirmed that that is a point of emphasis for NEIF.

Romulo Diaz asked if NEIF was cross-marketing the program with utilities and other incentive programs for energy efficiency. Peter Krajsa confirmed that NEIF was developing a calculator for homeowners to determine what other rebates and incentives they might be eligible for.

Stephon Petro asked if NEIF could quantify a typical benefit to consumers from the program. Peter Krajsa said that a similar loan for these types of projects could have an interest rate anywhere between 12.99% and 15.99%. While consumers are always interested in 0% interest loans, those rates pass on costs to the contractor that can inflate the cost of project. By offering an 8.99% interest rate with support from PEDA, NEIF is able to provide a significantly lower interest rate to consumers while incentivizing contractors to give the best price and the most affordable payment.

Chair Jessica Shirley asked if there were any further questions. There was no further discussion.

EAP PRODUCT 2 PROPOSAL: MUNICIPAL ENERGY FINANCING

Chair Jessica Shirley asked DEP Energy Program Specialist and Assistant Board Treasurer Alayna Schmeider to propose the second product for NEIF to administer that would finance energy related investments at municipal facilities and will be part of the Municipal Opportunities for Retrofits and Energy Efficiency (MORE) program.

Alayna Schmeider began by provided background on the MORE program, which is a two-part energy efficiency funding program for municipalities that will consist of the MORE Grant and the MORE Loan. The program will use funding from the Infrastructure Investment and Jobs Act (IIJA), specifically the Energy Efficiency Revolving Loan fund (RLF) and the Energy Efficiency and Conservation Block Grant or EECBG. Together, the MORE Grant and MORE Loan work to address the unique needs of Pennsylvania municipalities by creating the most affordable financing option for energy upgrades.

The primary goal of the program is to improve the energy efficiency of local government buildings and facilities by reducing barriers to affordable financing to accomplish larger, more effective energy efficiency projects. Blending the two programs together gives municipalities the ability to do more than a simple grant or loan alone. Pennsylvania municipal governments are eligible for the MORE program, but not municipalities that were direct recipients of EECBG from the U.S. Department of Energy. PEDA plans to prioritize projects and municipalities that represent DOE defined disadvantaged communities under Justice40, which accounts for approximately 102 municipalities and ideally would include municipal governments that would not typically borrow funds for energy-related upgrades to apply.

PEDA and DEP will have approximately $1.8 million in grant funds to award through the MORE Grant, and those funds must be committed within 180 days from the time that DEP is awarded the funds from the Department of Energy. Due to the short window of opportunity, applicants will be awarded on a first come, first serve basis. However, $1,000,000 of the $1.8 million has been set aside for the first three months for priority applicants. After the first three months, any remaining funds from the $1,000,000 that were set aside will be open to anyone fitting the eligibility criteria. The MORE Grant has an overall limit of $50,000 per applicant that can be applied to one or all three of the eligible uses: first, the cost Level 2 commercial energy audits, which are a prerequisite for the MORE Loan; second, project design and MORE Loan application development; and third, interest rate buy down for a MORE Loan.

The MORE Loan will blend private capital procured by NEIF of three times our approximately $3 million investment from DOE to create a Revolving Loan Fund. This blending allows NEIF to blend down the interest rate of this loan pool, and the reduced interest rate can be bought down even further by MORE Grant recipients. MORE Loans will be applied toward the cost of retrofits, energy efficiency upgrades and renewable energy generation when paired with energy efficiency measures, and loan repayment periods can be as long as 15 years under the MORE Loan or up to the end of the project's useful life, or whichever comes first. PEDA and NEIF's outreach to local government organizations identified longer repayment terms as a key feature for municipal borrowers.

PEDA would like the MORE Loan to be NEIF's Product 2, since Product 2 was defined in the Request for Proposals as a product targeting the non-residential sector with capital identified by PEDA staff through state and federal funds, which fits the MORE program as developed by EPO. The MORE Program needs an administrator, and this is the best opportunity that PEDA staff have found to apply federal funds toward a Product 2. Adopting the MORE Program as Product 2 would allow PEDA to further consolidate its financing programs under the EAP, giving borrowers a singular place to go to find funding sources for whatever energy project they are considering adopting. In addition, the federal funding sources offer budgets to cover administrative costs, which would relieve PEDA of the administrative costs associated with Product 2 under the contract with any NEIF.

The next steps for the program are board approval for the MORE Program to be Product 2 for NEIF under the EAP and approval to enter into an agreement between PEDA and DEP in order for PEDA to use the federal funds from IIJA. PEDA staff will also continue their internal program development of the MORE program to launch the project in late spring.

Alayna Schmeider also went over the overview of the upcoming motion, which was sent to the Board in advance of the meeting. The motion covered three main components to proceed with the MORE Program: first, it authorizes PETA and NEIF to proceed with the development, launch, and administration of the MORE Program; second, it directs PEDA staff to execute an agreement for PEDA to assume responsibility for operating the MORE Program; and third, the Board would authorize PEDA's Acting Executive Director Geoff Bristow to sign the agreement on behalf of PEDA to avoid conflict with Interim Acting Secretary Shirley signing on behalf of both DEP and PEDA.

Chair Jessica Shirley asked if there were any questions from the Board. Geoff Bristow clarified that DEP has already applied for RLF and EECBG funds from DOE and that part of the motion is to make sure that there is an agreement between DEP and PEDA to have control over those funds.

Glendon King asked if it would be possible to have the PowerPoint related to voting items further in advance of the meetings. Chair Jessica Shirley said that they would. Glendon King asked if water conservation projects would be eligible. Alayna Schmeider confirmed they would. Chair Jessica Shirley added that they would likely be drinking water facilities or wastewater treatment facilities. Glendon King asked who will be deciding which applicants receive MORE Loans and MORE Grants. Alayna Schmeider answered that the MORE Grants will be approved by PEDA staff, but reiterated that if applicants meet the eligibility criteria, they will receive a MORE Grant. Matthew Brown of NEIF said that NEIF Loans will be give based on credit criteria, but added since the borrowers are municipalities, they do not anticipate them being denied due to credit criteria.

Glendon King asked if the priority for Justice40 applicants was only for the grant funds or if it would apply to the loan as well, and if that preference was a federal requirement. Alayna Schmeider answered that the priority was only for the grant funds at this time, and that the priority for Justice40 applicants was not a requirement. Glendon King asked if there would be any consideration when awarding funds based on the type of project. Alayna Schmeider said there was not, and the program would operate on a simple first come, first served basis.

Romulo Diaz asked if eligible applicants would include school districts. Alayna Schmeider answered that eligible applicants included municipalities and municipal authorities but did not include school districts.

Adam Walters asked if there was a mechanism for informing municipalities about the MORE Program, especially because it will be operating on a first come, first served basis. Alayna answered that PEDA staff were working with NEIF to utilize networks and municipal organizations. Chair Jessica Shirley asked if it might be possible to use DCED’s network. Adam Walters said that DCED could offer assistance in marketing the program to local governments.

Glendon King asked what the timeline was for when the award would be. Alayna Schmeider answered that staff are working to get the entire program ready so that once they are awarded the EECBG funds, they can provide the longest period possible for municipalities to apply for the grant. They anticipated receiving the awards arriving at the earliest in May.

Glendon King asked if it would be possible for the board to get a list of those 102 eligible municipalities. Alayna Schmeider said they would.

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 PEDA board authorizes and directs:

1. *PEDA staff, with the assistance of National Energy Improvement Fund LLC (NEIF) under the current contract between the two entities, to proceed with the development, launch, and administration of the Municipal Opportunities for Retrofits and Energy Efficiency (MORE) Program as part of PEDA's Energy Accelerator Program, dependent upon DEP receiving an award from DOE that would fund the program;*
2. *PEDA staff to execute an agreement between PEDA and DEP under which PEDA will assume responsibility for operating the MORE Program as funded by DEP using approximately $6,374,750 from federal Infrastructure Investment and Jobs Act (IIJA) funds; and*
3. *PEDA's acting executive director, rather than PEDA's chair to sign such an agreement on behalf of PEDA due to the latter's dual role as both the chair of PEDA and acting interim secretary of DEP.*

Romulo Diaz motioned, and Bernie Lynch seconded. Chair Jessica Shirley asked if there was any discussion on the amendment. Romulo Diaz asked that the third part of the motion be amended to remove the explanation for why PEDA's acting executive director would be signing the agreement.

Romulo Diaz motioned to amend the motion, and Bernie Lynch seconded. Chair Jessica Shirley asked if there was any discussion on the amendment. There was none, and the board unanimously approved the motion to amend.

Chair Jessica Shirley asked the board to consider the amended motion as follows:

The PEDA board authorizes and directs:

1. *PEDA staff, with the assistance of National Energy Improvement Fund LLC (NEIF) under the current contract between the two entities, to proceed with the development, launch, and administration of the Municipal Opportunities for Retrofits and Energy Efficiency (MORE) Program as part of PEDA's Energy Accelerator Program, dependent upon DEP receiving an award from DOE that would fund the program;*
2. *PEDA staff to execute an agreement between PEDA and DEP under which PEDA will assume responsibility for operating the MORE Program as funded by DEP using approximately $6,374,750 from federal Infrastructure Investment and Jobs Act (IIJA) funds; and*
3. *PEDA's acting executive director to sign such an agreement on behalf of PEDA.*

Romulo Diaz motioned, and Bernie Lynch seconded. Chair Jessica Shirley asked if there was any discussion on the motion. Glendon King said he would be abstaining because he felt as though he had only recently received relevant information to the motion and was concerned about the how grants would be awarded. There was no further discussion. The board voted on the motion, there were 12 ayes, 0 nays, and Glendon King and Matthew Osenbach abstained. The motion passed by a majority vote.

UPDATES ON SOLAR FOR ALL AND THE GREENHOUSE GAS REDUCTION FUND

Chair Shirley asked Acting PEDA Executive Director Geoff Bristow to give an update on PEDA's application for funding through Solar for All and other opportunities from the Greenhouse Gas Reduction Fund (GGRF). Geoff Bristow reported:

- Solar for All's purpose is to invest in household and community solar projects focusing on low-income and disadvantaged communities with grant funds.
- PEDA applied for $250 million in funding in coalition with the Philadelphia Green Capital Corporation (PGCC). PEDA has not received any information from EPA since applying.
- If PEDA should receive an award, PEDA will develop the program across Pennsylvania while PGCC immediately expands its existing program. In total, PEDA expects 22,000 household solar arrays to be installed under the program.
- The approach will be to offer lease and loan options achieving at least 20% savings for households by leveraging private capital and federal tax credits. The funds will revolve, meaning this could potentially be a 20-year program. PEDA will not be directly funding projects; instead, the money will flow through participating organizations.
- The next steps for Solar for All are to hire a program manager, complete the conceptual design of the program, begin the next stages of stakeholder engagement, complete a subgrant agreement with PGCC, hire an experienced firm to lead full program design, engage and procure participating implementation organizations, and design, marketing and implementation.

Geoff Bristow asked if there were any questions or comments. Stephon Petro asked how a bill authorizing community solar could affect the design of the program. Geoff Bristow answered that, because there is no enabling legislation right now for community solar in Pennsylvania, it was a small component of PEDA's application with EPA, but PEDA does have some flexibility so that, if community solar is authorized, it can be incorporated into the program design.

Chair Shirley asked if there were any questions or comments. There was no further comment from the board.

OTHER BUSINESS

Chair Jessica Shirley next asked Acting PEDA Executive Director Geoff Bristow to speak to the Board about the upcoming update to PEDA's Energy Development Plan and obligations of board members and designees under the Public Official and Employee Ethics Act to file their annual financial disclosure forms with the State Ethics Commission.

Geoff Bristow said the Energy Development Plan is a statutory requirement for PEDA. It was last updated in 2020 and is completed on a five-year cycle. Geoff had sent copies of the most recent Energy Development Plan by email prior to the meeting and hard copies were also available to attendees in the Rachel Carson State Office Building. Geoff Bristow asked for feedback from the Board on what they would like to see in the plan. Adam Walters asked if board comments should be sent before the document is put out for public comment. Geoff Bristow confirmed they should.

Next, Geoff Bristow reminded the board members that, under the Public Official and Employee Ethics Act, they are required to file a statement of financial interest annually with the State Ethics Commission. Those statements are due May 1, 2024 and can be completed through the

Commission’s website. He asked that board members send a copy of the Statement of Financial Interest to PEDA staff electronically.

Chair Jessica Shirley asked if there was any other new business from board members. There was none.

PUBLIC COMMENT

Chair Shirley informed the board that no members of the public registered to offer comment.

MEETING ADJOURNED

Hearing no other questions or business to bring before the Board, Chair Jessica Shirley asked for a motion to adjourn the meeting. Matthew Osenbach motioned to adjourn, Adam Walters seconded, and motion passed unanimously. The meeting adjourned at 11:56 a.m.