

**MINUTES OF MEETING
BOARD OF DIRECTORS
PENNSLVANIA ENERGY DEVELOPMENT AUTHORITY
November 7, 2024**

10:05 a.m. – 11:12 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)
Designee Darryl Lawrence (for 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 Chair Stephen DeFrank, PUC)
Designee Sarah Stauffer (for Sen. Gene Yaw)
Rep. Elizabeth Fiedler
Designee Glendon King (for Rep. Joshua Kail)
Designee Emily Eyster (for Sen. Carolyn Comitta)
Laureen M. Boles
Sarah Hetznecker
Romulo L. Diaz, Jr.
Bernie Lynch

DEP Staff

Geoff Bristow, Chief Operating Officer, PEDDA
Alayna Schneider, PEDDA Staff, EPO
Greg Smith, PEDDA Staff, EPO
Laura Rigge, PEDDA Staff, EPO
Robert F. Teplitz, Special Counsel
David Althoff, Director, EPO
Amanda Amsbaugh, Clerical Assistant, EPO
Lena Smith, Policy Specialist, Policy Office
Colleen Unroe, Policy Fellow, Policy Office

Public/Other Attendees

Abbey Cadden, Infrastructure Coordinator, Governor's Office of Critical Investments
Philip Ehrig, Deputy Director, Governor's Office of Critical Investments
Dan Hagan
Jeffrey Ivicic
Trent Machamer
Ryan Manning
Miguel Matos
Maximilian Schultz, Director of Energy Infrastructure Solutions, Governor's Office of Critical Investments

CALL TO ORDER AND APPROVAL OF MINUTES

The meeting was called to order at 10:05 a.m. by PEDDA Board Chair Jessica Shirley, Acting Secretary of the Department of Environmental Protection. PEDDA Chief Operating Officer

(COO) 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 – approval of the August 22, 2024, PEDA Board meeting minutes. Bernie Lynch moved to adopt the August 22, 2024, meeting minutes. Matt Wurst 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 September 30, 2024:

Energy Development Fund (PEDA) – \$2,372,225

- Admin + Planned Expenditures YTD: \$172,280
- Commitments:
 - Contract Commitments (PFM): \$78,803
 - Contract Commitment (NEIF): \$26,033
 - Planned EAP KEEP Fund: \$500,000
- Available balance: \$1,567,071

There was no further discussion by the Board.

NEW BUSINESS

Chair Jessica Shirley asked the board for unanimous consent to take the agenda out of order to consider the three motions before Board members had to leave the meeting. There were no objections.

Chair Shirley asked Dr. Brian Regli, the Executive Director of the Governor's Office of Critical Investments, to explain the Solar for Schools Loan Program and the two related motions the Board would be voting on. Dr. Regli provided a brief overview of DCED's Solar for Schools grant program and supported the establishment of a Solar for Schools loan program to be run by PEDA to complement the grant program. Part of the funding could come from a \$1.5 million grant to PEDA from The Heinz Endowments (Heinz) to provide subsidies for western Pennsylvania schools.

Romy Diaz asked if there was a domestic content requirement and how challenging it would be to meet such a requirement. Dr. Regli responded that there was such a requirement, and that by 2025 there will be enough domestic product to make the program feasible.

Representative Fiedler emphasized that the program could fill the financial gap and make some large projects come to fruition.

Glendon King asked how the collaboration with Heinz came about and whether other organizations approached. Dr. Regli answered that conversations had been ongoing with Heinz about how nonprofits could use the tax credits, available under the Inflation Reduction Act of 2022, but that PEDA and the Governor's Office are always happy to speak and work with philanthropic organizations across the Commonwealth.

Chair Shirley said that she would entertain the following motion, the text of which had been provided to the Board in advance of the meeting:

The PEDA board of directors authorizes and directs staff to finalize and submit Part II of its application to the U.S. Department of Energy's Loan Programs Office, thereby seeking federal financial assistance through the Title 17 Clean Energy Financing Program for the Solar for Schools Loan Program to be administered by PEDA in its role as a state energy financing institution. The board directs staff to return to the board to request further approvals before accepting and utilizing the federal assistance for the loan program.

Romy Diaz motioned, and Sarah Hetznecker seconded. There were 12 ayes, Glendon King and Sarah Stauffer both voted nay, and the motion passed.

Chair Jessica Shirley then said that she would entertain the following motion, the text of which had been provided to the Board in advance of the meeting:

The PEDA board of directors authorizes and directs staff to finalize and execute an agreement and take other necessary actions to accept a grant from The Heinz Endowments in the amount of \$1.5 million to support solar energy projects at school districts in low-income, disadvantaged, and rural communities in southwestern Pennsylvania through the Solar for Schools Loan Program.

Bernie Lynch motioned, and Romy Diaz seconded. Before voting, Glendon King stated that he did not support the motion based on the source of the funds, stating that Heinz had worked to shut down power plants and decrease Pennsylvania's energy production. There was no further discussion, and the Board voted. There were 12 ayes, Glendon King and Sarah Stauffer both voted nay, and the motion passed.

Next, Chair Shirley asked Geoff Bristow to provide background on PEDA's contract with PFM Financial Advisors LLC (PFM). The contract currently expires at the end of December, and PFM is requesting a time extension with no increase in cost.

Chair Shirley said that she would entertain the following motion, the text of which had been provided to the Board in advance of the meeting:

The PEDA board authorizes and directs staff to extend, at no additional cost, PEDA's current contract with PFM Financial Advisors LLC (Purchase Order No. 4300795969, dated December 15, 2023) so that PFM can continue to provide strategic consulting services to PEDA for another six months beginning on January 1, 2025, 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.

Laureen Boles motioned, Adam Walters seconded, and the motion passed unanimously.

ENERGY ACCELERATOR PROGRAM UPDATES

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

The KEEP Home Energy Loan program is currently open, and the program offers affordable financing to Pennsylvania 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. KEEP has funded 64 loans totaling \$678,123. The approval rate is 74.15%. NEIF is continuing to build its contractor network, and we expect more applications coming in with the cold weather. Bernie Lynch asked if there were actual award numbers by county. She is concerned about the geographic distribution and wants to see more detail at future board meetings.

The MORE Program launched on June 3, 2024, and the deadline has been extended to December 6, 2024. The program offers affordable financing to Pennsylvania local governments for energy efficiency upgrades, using \$6.3 million in funding from the Energy Efficiency and Conservation Block Grant (EECBG) and the Energy Efficiency Revolving Loan Fund from the U.S. Department of Energy (DOE) to leverage \$9 million through contractor NEIF. Currently, the program has had 22 eligible applications (11 in priority communities), accounting for \$1,000,000 in requested funds. The MORE Loan program will open in by the end of the calendar year.

Solar for All is a competitive grant awarded to PEDA in partnership with Philadelphia Green Capital Corp. (PGCC). The EPA grant agreement has been executed. While no funds may be committed or expended until additional authorizing state legislation is passed, PEDA continues to work on program design. The first phase of program will focus on single-family homes in low-income disadvantaged communities with an emphasis on solar lease program. A program of this scope requires many partners. Once state authorization to expend Solar for All funds is passed, PEDA plans to complete its subgrant agreement with PGCC, issue RFPs, and continue its community engagement and workforce development work. Romy Diaz asked what size of grants would be available and why the solar lease program was favored over purchase. Greg Smith answered that Phase 2 would include a solar loan for people who would benefit from tax credits and require partnerships with banks and credit unions across Pennsylvania.

ENERGY DEVELOPMENT PLAN 2024 REVISION

Geoff Bristow gave an update on the 2024 Energy Development Plan. The plan is revised at least once every five years. The draft plan will be released for public comment in the fall of 2024 and then voted on by the Board at the first Board meeting of 2025. At a previous meeting, PEDA staff had provided proposed changes to the plan.

Glendon King, on behalf of Rep. Kail, said that substantial modifications should be made to the current draft, particularly with regard to PEDA's mission. He said that the plan missed the problem with the energy grid and there should be a focus on baseload power, not just new technology and solar. Romy Diaz said that he did not necessarily agree with those concerns but appreciated the point of discussing PEDA's mission and reviewing the plan in a holistic manner.

Chair Shirley said that staff would revise the plan to reflect the Board discussion, although doing so may require an adjustment to the timeline for the Board vote on the final document.

PUBLIC COMMENT

Ryan Manning asked how many schools in Pennsylvania fall in Energy Community Zones. Dr. Regli did not have a specific number of schools, but did note that 60% of the area of Pennsylvania falls within an Energy Community Zone.

Miguel Matos asked if PEDDA had considered partnering with the U.S. Department of Housing and Urban Development and the Department of Veterans Affairs. Greg Smith answered that PEDDA had been working with housing finance authorities, utilities, Weatherization Assistance Programs, and others, and will reach out to other community organizations and agencies as well.

MEETING ADJOURNED

Hearing no other questions or business to bring before the Board, Chair Jessica Shirley adjourned the meeting at 11:12 a.m.