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MINUTES OF MEETING
BOARD OF DIRECTORS
PENNSYLVANIA ENERGY DEVELOPMENT AUTHORITY
June 19, 2013

Board Members Present

E. Christopher Abruzzo, Acting Secretary of DEP
Hon. Glenn Moyer, Sec. Dept. of Banking & Security
Rep. R. Lee James
Rep. Peter J. Daley, II
Josh Myers (for Hon. John N. Wozniak)

Board Members Present (via telephone)

Laureen Boles
Ray Bologna
Virginia Brown
Romulo Diaz
Sarah Hetznetcker
Bernie Lynch
Michael Welsh
Sen. Edwin Erickson
Steve Drizos (for Allen C. Walker)

DEP Staff

David Althoff Jr., Acting Executive Director
Daniel Lapato, Deputy Director for External Affairs
Jessica Shirley, DEP Policy
Garrett Lewis (Ex Asst to Sec DEP)
Kimberly Childe (via telephone)
Sondra Keller, Clerk Typist III
Betty Hawkins, Clerk Typist III

Public Attendees

Beth Rosentel, House of Consumer Affairs
Philip Dunn (Sen. Gordner's office)
Patrick Mack, Northumberland County

Meeting Called to Order

Acting Secretary, E. Christopher Abruzzo called the meeting to order. Acting Secretary Abruzzo requested that Dave Althoff conduct a roll call for the purposes of determining a quorum. Dave Althoff conducted the roll call of those participating via teleconference. The Board members in the room also announced themselves to those on the conference call. Dave Althoff reported to Acting Secretary Abruzzo that a quorum had been reached.

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Acting Chair Abruzzo called for motion to approve the December 2, 2011 meeting minutes. A motion was made by Romulo Diaz, and seconded by Sen. Erickson. The vote carried unanimously.

Acting Secretary Abruzzo discussed the need for a vote to seat an acting of chairman to serve as chairman for this meeting. Acting Secretary Abruzzo offered to serve as the chairman for this meeting since the previous chairperson, Secretary Krancer, who he replaced, had previously been acting chairperson. A motion was made by Hon. Moyer and seconded by Representative Daley. The vote carried unanimously. Acting Secretary Abruzzo accepted the responsibility to serve as the acting chairman for this meeting.

Acting Chairman Abruzzo then introduced DEP employee, David Althoff Jr., who has been working as Acting Executive Director due to the departure of Executive Director, Thomas Bell. Mr. Bell left the employment of DEP in 2012. Acting Chairman Abruzzo recommended that Mr. Althoff serve as the representative of PEDAs as Acting Executive Director until further notice. Steve Drizos motioned for Dave Althoff to serve as Acting Executive Director, Representative James seconded the motion. The vote carried unanimously.

New Business

At the Acting Chairman's request, Mr. Althoff gave a briefing of the Northumberland County Courthouse Project. PEDAs received a recent request from Northumberland County to be awarded grant for a County Environmental Initiative (CEI project) using Growing Greener II funds.

PEDAs had previously approved a CEI project for Northumberland County in 2008 entitled the Intelliwatt Project. The Intelliwatt Project struggled to get underway and was ultimately terminated by PEDAs in the spring of 2012 due to lack of progress. Intelliwatt, the sub awardee for Northumberland County was unable to get the private financing necessary to move the project forward.

The Intelliwatt grant funds, \$150,000.00, were returned to DEP/PEDAs and ultimately to the Growing Greener II funding pool. Northumberland County in 2012 submitted a request for a re-designation for those funds.

In 2012, Northumberland County proposed a CEI project, the repowering of their county courthouse from an oil fired boiler to a natural gas boiler with energy efficiency controls. This project would greatly increase the efficiency of delivery of heat in each of the systems in their county courthouse.

Mr. Althoff explained to the board that the CEI Program allows counties to designate a project to utilize the Growing Greener II funds provided to them as long as the project is eligible under the program which would allocate the funds. Northumberland County selected the PA Energy

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Development Authority to allocate and award the funds for this project just as they did for the Intelliwatt Project.

This project was not scored. The project was evaluated for eligibility, so that the PEDA board could approve the funding. Mr. Althoff stated that the project was reviewed by a DEP technical staff person who also reviews project for the Commonwealth Financing Authority. The outcome of the review was that the results of the project are in line with PEDA's expected outcomes as stated in the 2010 PEDA grant solicitation.

Dave Althoff introduced a representative from Northumberland County, Patrick Mack, to answer any questions that the board members might have about this project.

Hon. Moyer inquired as to the requirement for the matching funds. Mr. Althoff responded that PEDA does not require matching funds but in a competitive scenario, we score matching funds. The amount of match brought to the project in a competitive solicitation affects the score. In this case, Northumberland County is bringing match to the project even though we are not scoring.

Rep. James inquired about the PEDA requirement for a Research Component. Mr. Mack from Northumberland County responded that this is a very unique project in the courthouse basement with a very antiquated system Northumberland County is planning on completing a report to encourage other county buildings to implement this kind of project as well as residences. The findings of a research report will be put on the Northumberland County website.

Ms. Hetznecker inquired as to the rate of return on the project. Mr. Mack responded that the project was confirmed with their financial controller and that the payback with the loan was well within the lifespan of the equipment.

Acting Chairman Abruzzo called for a motion to approval to approve the project. Senator Erickson motioned for the project to be approved, Mr. Diaz seconded the motion. The vote to approve was unanimous, and project was approved.

Administrative Matters

Acting Chairman Abruzzo indicated that the next PEDA meeting is being planned for the fall, possibly October. With the expiration of many of the appointed PEDA board members, Acting Chairman Abruzzo offered that any members whose terms have expired and are interested in being reappointed notify Dave Althoff; and in turn Dave will get that information to Luke Bernstein, Deputy Chief of Staff to the Governor.

Acting Chairman Abruzzo stated that the goal of the Board will be to have the full board in place, nominated by the Governor, confirmed by the Senate and a Governor appointed Chair Person by October.

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Acting Chairman Abruzzo also stated that before the next meeting, PEDA would also like to invite Patrick Henderson, the Governor's Energy Executive to the next board meeting. Mr. Henderson has been working on a state energy plan, and would share with the board the state energy plan that he has put together. Acting Chairman Abruzzo hoped to provide a copy of that plan to all the board members in advance of the next meeting so as to be able to use the plan as a starting point for any policies that this board might want to take forward.

Public Comment

Acting Chairman Abruzzo called for public comment. There was no public comment.

Meeting Adjourned

Acting Chairman Abruzzo called for a motion to adjourn the meeting. The motion was made by Steve Drizos and seconded by Hon. Moyer and carried. Meeting was adjourned.

Secretary

Date