



COMMUNITY FOUNDATION
FOR THE ALLEGHENIES

SERVING BEDFORD, CAMBRIA, SOMERSET, AND INDIANA COUNTIES

March 1, 2019

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 1 North
400 North Street
Harrisburg, PA 17120

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PA PUC
SECRETARY'S BUREAU

RE: Docket Number: M-00031715F0004

Ms. Chiavetta,

Per the instructions at the PA Sustainable Energy Board meeting on February 7, 2019, please find enclosed a hard copy of the Metropolitan Edison/Penelec Sustainable Energy Fund Annual Report for 2018.

If you have any questions or need additional information, please do not hesitate to contact us.

Sincerely,

Mike Kane

President

Enclosure



METROPOLITAN EDISON COMPANY/PENNSYLVANIA ELECTRIC COMPANY SUSTAINABLE ENERGY FUND

Introduction

In 2000, First Energy established the Metropolitan Edison Company Sustainable Energy Fund at Berks County Community Foundation and the Penelec Sustainable Energy Fund at the Community Foundation for the Alleghenies. Berks County Community Foundation and the Community Foundation for the Alleghenies are 501(c)3 nonprofit organizations located in Reading and Johnstown, respectively.

The funds work together under the guidance of a joint volunteer advisory committee and in accordance with each organization's bylaws. The purpose of the funds is to promote:

- the development and use of renewable energy and clean energy technologies;
- energy conservation and efficiency;
- sustainable energy businesses; and
- projects that improve the environment in the companies' service territories, as defined by their relationship to the companies' transmission and distribution facilities.

The funds fulfill this purpose by seeking, vetting, and awarding grants, loans, and equity investments that benefit the ratepayers in the geographic territories within Pennsylvania served by Met Ed and Penelec.

From January 1, 2018, to December 31, 2018, the Metropolitan Edison Company/Pennsylvania Electric Company Sustainable Energy Fund (Met-Ed/Penelec SEF) approved financing totaling \$770,000.

Representative Fund Outreach Activities 2018

Each year, the staff members who manage the Met-Ed/Penelec SEF on behalf of the Community Foundations participate in activities designed to raise awareness of Met-Ed/Penelec SEF activities. From January 1, 2018, to December 31, 2018, that outreach included the following activities:

- Community Foundation staff presented information about the Met Ed/Penelec Sustainable Energy Fund at multiple events throughout the territories, including the Community Foundation for the Alleghenies' annual Founders' Day celebration, grantwriting workshops, and county financing sessions.

- Staff maintained the Met Ed Penelec Sustainable Energy Fund website and Facebook pages, updating pages as appropriate and posting on Fund activities and topics related to energy efficiency and clean energy technologies.

Representative Program Specific Activities 2018

- At the Advisory Committee's request, staff commissioned a report on Pennsylvania's Clean Energy Projects in order to: (1) discover and demonstrate stakeholders' biggest needs and obstacles pertaining to development of clean or renewable energy projects; and (2) identify the most up-to-date and relevant renewable energy projects currently being deployed in the state.
- The Advisory Committee conducted a strategic planning workshop to determine future grantmaking priorities, a grantmaking approach (strategic vs. reactive), and discuss best steps for implementation. (The plan that was developed as a result of this process is attached at the end of this report.)
- Staff performed site visits and correspondence for inquiries on numerous potential projects throughout the Penelec and Met Ed service territories, several of which are explained in more detail below.
- Staff continued to meet with the Re-Energize Johnstown organizers, who are looking to promote job creation through energy efficiency and solar projects in the Johnstown region, with a focus on underserved communities.
- As committed to in 2016, staff continued to participate in a multi-year stakeholder engagement project with PA Department of Environmental Protection to develop and analyze a solar deployment plan for the state called, "Finding Pennsylvania's Solar Future." It is examining the necessary policy, regulatory, and market conditions that would allow distributed generation, provide a public summary report, and a comprehensive final report.
- Throughout the year the community foundations provided all fund management operations, including monthly loan servicing, collection, due diligence on grant and loan applications, site visits, phone and email correspondence with prospective applicants, PUC correspondence, and investment management and reporting.
- For the sixth year, staff managed the Energy Audit Grant Program, which provides grants of up to \$10,000 for ASHRAE Level 2 audits. The program is open on a rolling basis, as funds remain, for nonprofit organizations, governmental agencies,

and small businesses in financially distressed neighborhoods. After the audits are complete, the organizations are eligible to apply for a performance-based loan to implement the recommended energy efficiency changes. The majority of organizations find they can finance the changes on their own based on the projected savings they are to achieve.

- Staff conducted educational tours of the Berks County Community Foundation Platinum LEED building.
- Staff maintained the historical/geographical/technological mapping of SEF activity to ensure the map created in 2014 remained current and available on the website.

Financial Approvals

From January 1, 2018, to December 31, 2018, the Metropolitan Edison Company/Pennsylvania Electric Company Sustainable Energy Fund (Met-Ed/Penelec SEF) approved financing totaling \$770,000.

Grants

Pocono Environmental Education Center	Education Center Green Building	\$ 100,000.00
Our Town Foundation - Hamburg Strand	Energy Audit	\$ 10,000.00
Highland Community Library	LED Installation	\$ 5,000.00
Para-Coat Technologies	LED Installation	\$ 5,000.00
Lee Initiatives	Johnstown Concert Ballet Energy Efficient Upgrades	\$ 25,000.00
Altoona Intermunicipal Relations-Buckhorn Recycling Facility	Solar PPA & LED upgrades	\$ 10,000.00
Reading Public Museum	1st floor gallery lighting	\$ 10,000.00
Genesis Theater	Stage lighting	\$ 20,000.00
Kula Kamala Foundation	Ground solar array	\$ 25,000.00
Allegheny Evangelical Lutheran Church	Energy Audit	\$ 10,000.00
Arbutus Park Retirement Community	Energy Audit	\$ 10,000.00
Camp Allegheny	Solar and LED Installation	\$ 25,000.00
Camp Allegheny	Energy Audit	\$ 10,000.00
Berks County Community Foundation	Energy Audit	\$ 10,000.00
Early Connections, Inc.	Energy Audit	\$ 10,000.00
DeVilbiss Healthcare	Energy Audit	\$ 10,000.00
Railroaders Heritage Corp.	Energy efficiency upgrades	\$ 10,000.00
Tyrone Snyder Public Library	Energy Audit	\$ 10,000.00
Patton Public Library	Energy Audit	\$ 10,000.00
Kirkridge Retreat Center	Energy Audit	\$ 10,000.00

Loans

Altoona Intermunicipal Relations-Buckhorn Recycling Facility	Solar PPA & LED upgrades	\$ 10,000.00
Biesecker Library (<i>convertible debt</i>)	Energy Efficiency Upgrades - LEDs	\$ 25,000.00
Pittsburgh Gateways	EIC Development	\$ 400,000.00

Since inception, the Met-Ed/Penelec SEF has approved 213 grants totaling \$4,139,373; 47 loans totaling \$24,488,724; and 3 equity investments totaling \$1,600,000. The fund denied 57 grant requests, 26 loan requests, and 7 investment opportunities. Denials occurred because the proposed projects did not meet the Fund's mission or had technological, financial and/or market difficulties.

Board Activities

The Met-Ed/Penelec SEF Advisory Committee consists of nine members whose two-year terms are staggered so the terms of approximately half of the members end each year. Current members can run for re-election. The Advisory Committee Members for January 1, 2018, through December 31, 2018, were as follows:

Marybeth Smialek (Chair)	Rep. First Energy	Term Expires 12/31/2019
Brian Hill (Vice Chair)	Rep. At Large	Term Expires 12/31/2019
Frank Plank	Rep. Industrial User Groups	Term Expires 12/31/2018
Timothy Booth	Rep. Electricity Supplier	Term Expires 12/31/2018
Beverly Weaver	Rep. Weatherization Groups	Term Expires 12/31/2018
Greg Winger	Rep. Commercial Customer	Term Expires 12/31/2019
Davitt Woodwell	Rep. Environmental	Term Expires 12/31/2020
John Ubinger	Rep. At-Large	Term Expires 12/31/2019
Chady Zablit	Rep. Ind. Power Producer	Term Expires 12/31/2018

The advisory committee met four times in 2018. Mr. Woodwell joined the committee, per PUC approval, on Nov. 8, 2018. Mr. Ubinger and Mr. Zablit both stepped down from their positions at the December 2018 meeting. Therefore, the committee will enter 2019 with two openings, an Independent Power Producer representative and an At-Large representative.

Review of Technologies and Sample of Met-Ed/Penelec SEF Implemented Projects

The Met Ed Penelec Sustainable Energy Fund maintains and updates the list below to show the projects that have been funded and how they fit into the different sustainable and renewable energy tiers as defined by the Commonwealth. This list represents projects since the funds were created.

Tier I Projects:

Solar Photovoltaic

- Silicon cell panels – Hundredfold Farm and French Creek Ridge
- Printed electronics – Plextronics
- Solar installer training – Conservation Consultants
- Solar lighting – 2nd & Oley playground
- Solar lighting – Welcome sign to City of Reading
- Solar cell panels – Lacey Electric
- Solar cell panels – Rodale Institute
- Solar array – Scottish Heights
- Solar cell panels – Epiphany
- Solar panels/inverter – Sandusky Lee
- Solar panels – Phipps Conservancy
- Solar concentrator dish production – CEWA
- Manufacturing solar grade silicon – One Solar
- Solar panel installation – Leg Up Farm
- Solar lighting installation – Reading Rising Park
- Solar panels – Cambria County Transit Authority
- Concurrent Technologies Corporation
- Sally's Cider Press
- RiverPlace
- Jager & Friends Dog Park
- Tree Pittsburgh
- Huntingdon Farm
- Altoona Intermunicipal Relations/Buckhorn Recycling
- Kulu Kamala Foundation
- Camp Allegheny

Solar Thermal

- Adams County
- Mid Atlantic Renewable Energy Association
- Greater Prospect Store

Wind

- Utility wind installations – Bear Creek/Forward/Lookout
- Supply chain facility – Gamesa
- Community Wind – SFU Renewable Energy Center/Anemometer Loans
- Windustry Community Wind Conference
- Small wind systems – Shade Central City School District, Meadville School District, Southern Alleghenies Conservancy, Wayne County Conservation District, Evergreen Conservancy Tonoma AMD Site and New Tech Wind

Low Impact Hydro

- Micro- and low-hydro statewide conference
- PA Environmental Council - general permitting program

Biogas and Coal Mine Methane

- Pioneer Landfill gas to electricity G.A.S.
- Johnstown Regional Energy
- Green Gas Pioneer Crossing

Biomass

- Farm digester – Native Energy
- Wood waste – United Corrstack
- Ethanol-Regional Economic Development Initiatives
- PGH Zoo Somerset International Research Center
- Biomass Boot Camp
- First Nation Wood Pellets
- Organization - PABIOMASS Energy Association
- Pittsburgh Zoo International Conservation Center biomass furnace
- Pennsylvania Biomass Energy Association

Demand Side Energy Conservation and Efficiency

- Pymatuning Lab
- Somerset Conservation District
- West Erie County Emergency Center
- Gildono Center
- Birdsboro Alloying
- Police Athletic League/Olivet's Boys & Girls Club
- Cambria County War Memorial Arena
- Johnstown Area Heritage Association
- Mission Critical Solutions
- City of Reading Pagoda
- Human Services Center
- Allegheny College

- Millcreek Township School District
- Asbury Park Nature Center
- Hanover Public School District
- Concurrent Technologies Corporation
- Twin Valley Elementary School
- Southern York County Library
- York County Commissioners
- Albright College
- Hyndman Area Health Center
- Berks County Community Foundation LEED Platinum Headquarters
- Green Building Alliance – Pittsburgh
- Green Building Alliance – NW PA
- Allegheny Clarion Valley Development Corporation
- BosWell Pharmacy Services
- Crawford County Development Authority
- Rouse Estate
- Radiant Heating System – City of Johnstown Historic Carpenter Shop
- Energy Management Systems – Crispus Attucks Association
- eCAP Network Energy Management
- Windber Research Institute
- Renewable Manufacture Gateway
- Greater Reading Commerce Center
- Pittsburgh Gateways
- Commonwealth Community Energy Project Revolving Loan Fund
- Shawnee Country Market
- Disaster's Edge Environmental Center
- Liberty LLC
- Berks County Redevelopment Authority
- Greater Prospect, Inc.
- Southern Alleghenies Planning & Development Commission
- Cambria County War Memorial
- Johnstown Redevelopment Authority
- JC Blair Memorial Hospital
- Somerset County Campus Foundation (Allegheny College of Md.)
- Greater Johnstown YMCA
- Oakland Volunteer Fire Company
- River Valley Regional YMCA
- A Better Address

- Conrad Flatiron Building/JBDDC
- Berks County Conservancy
- Johnstown Industrial Development Corporation
- McKean County
- Bottle Works Ethnic Arts Center
- Goodwill Industries of the Conemaugh Valley
- Johnstown Demanufacturing Center
- Millcreek Township School District
- Leg Up Farm
- Hillcrest Racquet Club
- Opportunity House
- Kutztown University Foundation
- Bethany Children's Home
- Johnstown Business District Development Corporation
- Gautier Steel, Ltd.
- Cresson Lake Playhouse
- Pocono Environmental Education Center
- Schuylkill River Greenway Association
- Berks County Industrial Development Authority
- Bethel-Tulpehocken Public Library
- East Berlin Community Library
- Mid-Atlantic Renewable Energy Association
- Easy Does It, Inc.
- Borough of West Reading
- Meadville Public Library
- Saxton Volunteer Fire Company
- Benedictine Sisters of Erie
- Human Services Center
- Concurrent Technologies Corporation
- Windber Fire Company
- Ashville Volunteer Fire Company
- Bedford County Chamber Foundation
- Mary's Shelter
- JARI Growth Fund
- Thistle Creek Farm
- Reading Public Museum
- Greater Johnstown Water Authority
- Bedford County Regional Education Foundation

- Highland Community Library
- Para-Coat Technologies
- Lee Initiatives/Johnstown Concert Ballet
- Biesecker Library
- Altoona Intermunicipal Relations/Buckhorn Recycling
- Reading Public Museum
- Genesis Theater
- Pittsburgh Gateways
- Camp Allegheny
- Railroaders Heritage Corp.

Supply Side Efficiency

- PA Environmental Council – Inclined Discharge Study
- Hydroconfidence – Oil to Natural Gas Conversion Equipment
- Interphase Materials – Heat Transfer Efficiency

Ocean and Lake Energy – None to Date

Non-Combustion Solid Waste – None to Date

Tier I Fuel Cells

- Solid-Oxide, Shade Central City School District
- Franklin Fuel Cells

Tier II Projects:

Electricity from Eligible Waste Coal (New or Retrofitted Facilities) – None to Date

Integrated Gasification Combined Cycle – None to Date

Non-Tier I Fuel Cells – See Above Franklin Fuel Cells

Education (not including application of technologies listed above):

- K-12 Energy Curriculum Development – Penn State university
- CEEP Green Campus Education
- Clean Energy State Alliance
- Green Building Association of Central Pennsylvania
- NW PA and Laurel Highlands Chapters of Pittsburgh Green Building Alliance
- MAREC
- Pennsylvania Foundry Association
- US Green Building Council
- Manufacturers Association of Berks County
- Public Lebanon Valley Conservancy
- Penn Future
- Clean Energy Expo
- Berks County Conservancy
- Keystone HELP

- WPSX –TV
- Southern Alleghenies Conservancy
- Berks County Community Foundation
- Erie School District
- Mid-Atlantic Renewable Energy Association
- Oley Valley High School
- Allegheny College
- University of Pittsburgh at Johnstown
- Nolde Forest Environmental Education Center
- Boyertown Area Multiservice, Inc.
- Reading Public Museum
- Reading Public Library
- Pennsylvania Environmental Council
- Erie City School District
- St. Francis University's Institute for Energy
- PA Biomass Energy Association
- North American Passive House
- Pocono Environmental Education Center
- Energy Audit Program (49 nonprofit organizations throughout the territories)

Conclusion

With the guidance of an expert advisory committee and professional financial and operational oversight from Berks County Community Foundation and the Community Foundation for the Alleghenies, the Met Ed Penelec Sustainable Energy Fund has had a successful year meeting its purpose to promote:

- the development and use of renewable energy and clean energy technologies;
- energy conservation and efficiency;
- sustainable energy businesses; and
- projects that improve the environment in the companies' service territories, as defined by their relationship to the companies' transmission and distribution facilities.

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The funds are honored to continue to fulfill this purpose by seeking, vetting, and awarding grants, loans, and equity investments that benefit the ratepayers in the geographic territories within Pennsylvania served by Met-Ed and Penelec.



**COMMUNITY FOUNDATION
FOR THE ALLEGHENIES**

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