**PENNSYLVANIA**

**PUBLIC UTILITY COMMISSION**

**Harrisburg, PA. 17105-3265**

Public Meeting held January 15, 2015

Commissioners Present:

Robert F. Powelson, Chairman

John F. Coleman, Jr., Vice Chairman

James H. Cawley

Pamela A. Witmer

Gladys M. Brown

Petition of The Reinvestment Fund For a M-00031715F0002

Change to the Audit Provisions of the Sustainable

Development Fund Bylaws

**ORDER**

**BY THE COMMISSION:**

On October 22, 2014, The Reinvestment Fund (“TRF”) filed a Petition on behalf of the Sustainable Development Fund for the PECO Service Territory (“SDF”). The SDF Board of Directors and TRF, manager of the SDF, seek Commission approval for an amendment to the financial audit provisions of the SDF bylaws that were approved by the Commission in an Order entered December 17, 1999 (Docket No. R-00973953) and amended by an Order entered December 16, 2004 (Docket No.M-00031715F0002).

A resolution requesting that TRF file the Petition was approved by the SDF Board of Directors on October 16, 2014.

The Petition seeks to amend the SDF bylaws by replacing the stand-alone audit provision and allowing TRF to submit the TRF annual financial audit with the SDF financials reported separately within the TRF financial audit.

Within the resolution, the SDF Board notes: (1) the audit provision of the SDF bylaws requires TRF to provide a stand-alone financial audit of the SDF at a cost of approximately $ 15,000 per year; (2) TRF has submitted fifteen SDF financial audits, each having an unqualified opinion; and (3) two sustainable energy funds similar to SDF do not submit a stand-alone financial audit, but rather submit an audit of their parent organization that includes financials of the sustainable energy funds.

Thus, the SDF Board believes that the provision for a stand-alone audit is unnecessary and the public’s need for financial accountability can be satisfied by reporting the SDF’s financials within the financial audit of TRF at a reduced cost.

Based on consideration of the arguments presented by the SDF Board in their Resolution, the Commission finds that proposed change is in the public interest by maintaining financial accountability at a reduced cost. The by-laws, as amended are thereby approved; **THEREFORE**,

**IT IS ORDERED:**

1. That the Petition of The Reinvestment Fund on behalf of the Sustainable Development Fund is approved.
2. That the Bylaws of the Sustainable Development Fund approved by the Commission by Order entered December 17, 1999 (Docket No. R-00973953) and amended by Order entered December 16, 2004 (Docket No. M-00031715F0002) are again amended by deleting the audit section of the bylaws, Section V.C., and replacing it with the following:

“C. Audit

The Reinvestment Fund shall obtain the services of an independent auditor to perform an annual audit on all Fund operations. This audit may be conducted as part of The Reinvestment Fund audit, provided the Fund’s finances are reported separately within the audit. This audit shall be a public document and shall be shared with the members of the Board and the Commission.”

1. That this proceeding at Docket No. M-0031715F0002 be closed.

**BY THE COMMISSION**,

Rosemary Chiavetta,

Secretary

(SEAL)

ORDER ADOPTED: January 15, 2014

ORDER ENTERED: January 15, 2015