

**Delaware Sustainable Energy Utility**  
 Meeting of the Oversight Board  
 500 W. Loockerman Street, 5<sup>th</sup> Floor – Bradley Room, Dover, DE 19904  
 March 17, 2016 - 9:00 A.M.

**Welcome**

Mr. Dave Bonar called the meeting to order at 9:15 AM. Members present were Joseph Schorah, Pamela Bakerian (teleconference), Robert Underwood, Ismat Shah, Trey Paradee. Also present were Frank Murphy, SEU General Counsel, Tony DePrima, Suzanne Sebastian, and Lisa Gardner.

Members Absent: Senator McDowell, Nnamdi Chukwuocha, Sean Finnigan, Kristopher Knight, and Charles Wagner.

**1. Approval of Minutes - Mr. Paradee moved to approve the minutes, seconded by Mr. Schorah and unanimously carried.**

- a. Oversight Board – January 21, 2016**
- b. Loan Committee – February 2, 2016**

**2. Presentations**

**a. Green Bank** – A Power Point Presentation was given by Mr. DePrima and Jeffrey Schub, Executive Director, Coalition for Green Capital was available by teleconference – **Attachment A.**

**b. Pace** – A Power Point Presentation was given by Mr. DePrima - **Attachment B.**

**3. SEU Business**

**a. Solar Resiliency Pilot** – Mr. DePrima reminded members that the (4) facilities that now comprise the Pilot Program are Aetna Hose, Hook and Ladder (Newark), Delaware Christian Academy (private school in New Castle), Indian River Fire Company (Millsboro), and Selbyville Fire Station (Selbyville). A proposal was received from EZ Energy. Under the proposal EZ Energy would act as the prime contractor and solar power installer and A.F. Mensah would be the battery systems integrator and energy marketer and Edison Power Company would be the Power Purchase Agreement (PPA) finance company. The team would finance, construct, own, operate and maintain the systems for the full term of the 15 year PPA at 9 cents per kilowatt hour (kWh) fixed (0% escalator). The developer is offering three (3) options in which the SREC purchase price varies.

484 kw system	\$/watt - Note currently pay \$.45/watt now in the Upfront SREC program
\$2Million loan and \$200,000 for SREC's	\$.41/watt
\$1.5 Million loan and \$350,000 for SREC's	\$.72/watt
1.0 Million loan and \$500,000 for SRECs	\$1.03/watt

Mr. DePrima stated that a \$2 million loan would yield an SREC price that we are currently in the market for. Therefore, staff is recommending offering the \$2 million loan subject to all the required credit analysis and risk management that the SEU would do for any other loan of this size.

**Dr. Shah moved to authorize the Executive Director to move forward with working with Gable Associates, our General Counsel, Commercial Counsel, and our Financial Advisor to complete all necessary due diligence**

**needed to finalize terms of the program based on the current proposal including a \$2 million loan. The motion was seconded by Mr. Schorah and unanimously carried.**

**b. EEIF – Funding for Non-Profit** – As requested by the board, the SEU was tasked to explore programs that would assist non-profit organizations with implementing energy efficiency programs. Through investigation, it was learned that the Energy Efficiency Investment Fund (EEIF) program managed by the Division of Energy and Climate was suspended due to the lack of funds. Mr. DePrima explained that funding the EEIF for Non-profits and Local Governments with RGGI funds would be an immediate and efficient way to assist the non-profit community. The estimated need to fund the applications already submitted and those expected through June 30, 2016 is approximately \$400,000.

Mr. DePrima also recommended that the board approve allocating \$1 million for this program in the 2016/2017 Budget.

**Mr. Underwood motioned to authorize the Executive Director to develop and execute a Memorandum of Understanding (MOU) with the Division of Energy and Climate and that the funds be allocated for this program and to allocate \$1 million for this program in the 2016/2017 Budget. The motion was seconded by Mr. Schorah and unanimously carried.**

**c. Consideration of Statements - A motion was made by Mr. Schorah to approve the following statements, seconded by Dr. Shah and unanimously carried.**

- i. Murphy & Landon – December 2015 (\$914) - January 2016 (\$1,648.50)
- ii. NW Financial Group, LLC – December 2015 (\$1,381.25) - January(\$1,170)

**4. Governance Committee Report - Executive Session – Executive Director Salary** - The Board moved to adjourn into Executive Session.

The board Reconvened into Open Session.

**A motion was made by Mr. Schorah to approve salary increases in accordance to the Executive Director’s memorandum to the Board, seconded by Dr. Shah and unanimously carried.**

**5. Reports – January 2015/February 2016** – Mr. DePrima and Ms. Sebastian presented the following reports to the Board.

- a. Executive Director’s Activity Report
- b. Program Activity Report
- c. Budget Report – Ending February 2016

**6. New/Business/Old Business – None**

**7. Public Comment - None**

**A motion to adjourn was passed unanimously at 10:44 AM.**