

Delaware Sustainable Energy Utility
Retreat
Meeting of the Oversight Board
DuPont Environmental Education Center
1400 Delmarva Lane, Wilmington, DE 19801
July 17, 2014 – 9:30 A.M.

Welcome – Network - Breakfast

Board Chair Senator Harris B. McDowell, III called the meeting to order at 9:30 AM. Present were Pam Bakerian, David Bonar, Kristopher Knight, Dr. Charles Wagner, Dr. Syed Shah, Representative Dennis Williams, Secretary David Small, and Joseph Schorah (10:30 a.m.), Also present were Frank Murphy, General Counsel, Andrea Maucher, Public Advocates Office, Tony DePrima, SEU Executive Director, and Lisa Gardner, Office Manager.

Mr. DePrima stated because the Communication Plan is wrapped within the Strategic Plan, agenda items 1. Strategic Plan – Draft - Overview & Discussion and 2. Communication Plan – Overview & Discussion should be considered as one item.

Mr. DePrima presented the 2014 SEU Program Planning Workshop PowerPoint (**Attachment 1**) that briefed members on the following topics: 2013 Retreat Re-Cap, Established Programs, Pilot Programs, Communication Plan, Strategic Plan, Emerging Programs, and Potential New Programs.

Topics for the Executive Director to follow-up on are as follows:

- 1) Promote/market career opportunities (job descriptions) in energy efficiency/audits via the University of DE (suggestion from Dr. Wagner);
- 2) Be proactive (automatic notification) in reaching out to new home buyers regarding the Home Performance/Loan Program (suggestion from Senator McDowell);
- 3) Investigate a NGO Structure – Definition is an organization that is neither a part of a government nor a conventional for-profit business (Senator McDowell);
- 4) Establish benchmarks and measurement for programs (suggestion from Energy Office);
- 5) Build capacity, engage and empower Board, streamline operations, enhance planning, and be recognized for high performance;
- 6) Overcome brand confusion;
- 7) Build engaging marketing infrastructure;
- 8) Create awareness and education programs (annual iconic event); and
- 9) Communicate success (social media and press releases).

Mr. DePrima reviewed the following Emerging Programs:

- 1) Investment Grade Energy Audits – State Agencies;
- 2) Solar/Geo Thermal Incentive Program;
- 3) Joint Green Energy Enhancement Grant; and
- 4) DEMEC LED Street Light Financing Program.

Mr. DePrima reviewed Potential New Programs:

- 1) Programs for Low and Moderate Income Families;
- 2) Evaluate Clean Vehicle Programs;
- 3) Evaluate Small Business Investment Incentives;
- 4) Explore Potential Agriculture Assistance Programs;
- 5) Programs Recommended by the “The Study of Potential Energy Savings in Delaware; and
- 6) Evaluate New Subsidiary “Green Enterprises”.

SEU Business

3. Approval of Minutes

a. Oversight Board Meeting – May 15, 2014 – Senator McDowell suggested that the board request Dr. John Byrne, on behalf of the SEU, approach the ACEEE to discuss their measurement structure and how to possibly include the bond monies in their calculation. Mr. Underwood requested to be included in the correspondence. A motion was made, seconded, unanimously passed to approve the minutes as amended.

b. Energy Programs Committee Meeting – June 18, 2014 – There was not a quorum of the Energy Programs Committee; therefore the approval of the minutes was deferred.

4. Recommendations of the Energy Programs Committee

a. Solar/Geo Thermal – Incentive Program – Mr. DePrima reviewed the following key points of the Solar/Geo Thermal Incentive Program:

- Raise the cap for Solar Thermal programs from \$10,000 to \$200,000 and keep the rebates remain the same (although the Division is re-evaluating the rate and the SEU should allow the Division to make the final determination);
- Raise the cap for Geo Thermal programs from \$30,000 to \$200,000 and keep the rebates the same (\$800\ton for the first 2 tons and \$700/ton for over 2 tons for non-residential systems, and \$1000\ton for the first 2 tons and \$800/ton for over 2 tons for non-profit systems). The program will be administered by the Energy Office in exchange for the SEU funding the Green Energy Grant Program website;
- Set aside funds (5%) for measurement and verification;
- Include funding status and grant activity in the Executive Directors Monthly Activity Report.

b. DEMEC LED Street Light Conversion Program – Mr. DePrima explained that the Delaware Electric Municipal Electric Corporation (DEMEC) applied for and received a 0% interest USDA funding that would allow them to move forward with the LED Street Lighting Conversion Project; however, the funding did not apply to all their municipalities. DEMEC is requesting \$1,000,000 be set aside to assist in the Program with a tentative interest rate of 1.99%, and that the Executive Director be authorized to sign a Letter of Intent.

c. Net Zero Energy Mobile Home Opportunities for Low-Moderate Families Study & Analysis - Mr. DePrima reviewed the following key points of the Net Zero Energy Manufactured Home Opportunities for Low-Moderate Families Study & Analysis:

- Authorize \$200,000 be budgeted for this pilot program and to move forward with Phase 1 (\$30,000) of the program, with an emphasis preferably of Delaware based manufacturers;
- Bring back to the Board prior to beginning Phase 2 (\$170,000);
- The cost of Phase II will be further negotiated pending completion of Phase I.

Dr. Wagner made a motion to approve and move forward with all three (3) of the above items, seconded by Mr. Bonar and unanimously carried.

5. Contract Approval

a. Incline – Administration of SREC SEU Purchase Program (Trading and Website Management) – Mr. DePrima explained that current contract with Incline allows them to manage the SREC Trading Program. If approved, the proposed contract today would be considered a new contract (added service) that would allow Incline to develop and manage a website in order for the SEU to use for purchasing and selling SREC's. Additionally, this website will be built in such a way that it would be utilized by the State of Delaware as an on-line application for the Joint Green Energy Program. The fee structure is two-fold, there will be one fee, \$5,000 a month for the design, implementation, and managing the website for the dual programs. The second fee will be for managing the SREC's, the purchasing and trading the SREC's. Mr. DePrima reminded members that one of the goals of the SEU is to continue to incentivize the solar market, particularly the smaller residential and small commercial market (units under 50KV).

b. Out of the Box – Public Relations & Marketing – Mr. DePrima explained that the SEU has been utilizing the services of Mitch Topal, owner of Out of the Box, for the past year under the small contracts provisions for public relations and marketing services. While developing the Strategic Plan, it became evident that the Board felt it was necessary for the SEU to increase its marketing and advertising practices. For the upcoming year, Mr. DePrima is recommending contracting Out of the Box under a retainer of \$2,000 per month.

c. Whisman Giordano and Associates, LLC – 2013-2014 Audit – Mr. DePrima explained that this contract is for the year ended June 30, 2014. The fixed cost of the audit is \$13,000.

Senator McDowell recommended one motion for the above three (3) contracts. Representative Williams moved to approve the three (3) contracts, seconded by Mr. Bonar and unanimously carried.

6. Consideration of Statements – A motion was made by Mr. Bonar to process the following statements, seconded by Dr. Wagner and unanimously carried.

- i. F. Murphy Legal Services – April 2014 in the amount of \$81.48 and May 2014 in the amount of \$869.50.
- ii. NW Financial Group, LLC – March 2014 in the amount of \$0 and April 2014 in the amount of \$1,488.75.

7. New Business/Old Business – Senator McDowell suggested that the board request Dr. John Byrne, on behalf of the SEU, approach the ACEEE to discuss their measurement structure and how to possibly include the bond monies in their calculation. Mr. Underwood requested to be included in the correspondence.

8. Public Comment - Dr. Wagner opened the meeting up for members of the public to speak as well as to take a poll on topics of interest for future meetings as well as meeting places.

Adjourn - A motion to adjourn was passed unanimously at 12:15 p.m.