

Delaware Sustainable Energy Utility  
Minutes of the Meeting of the Oversight Board  
DNREC Lukens Drive Office  
391 Lukens Drive, New Castle, DE 19720  
April 5, 2012 at 10:00 A.M.

**I. Welcome**

Board Co-Chair Harris B. McDowell, III called the meeting to order at 10:10 A.M. Present were Representative Dennis Williams, Randy Day, Roger Jones, Sean Finnigan, Michael Sheehy, Secretary Collin O'Mara, Nnamdi Chukwuocha, Dr. John Byrne, and Dr. Carolyn Snyder. Mr. DePrima, Executive Director was also present. Senator McDowell gave introductory remarks. With the Board's approval, Francis Hodsall gave some remarks about the SREC Market Pilot Program.

**II. Minutes - Review and consideration of Board Minutes of February 9, 2012**

Mr. Jones moved to approve the minutes of the February 9, 2012 Board meeting, seconded by Mr. Day and unanimously carried.

**III. Legal**

**Report from SEU Legal Counsel - F. Murphy**

This item was initially deferred. Later in the meeting, the Board approved a motion to go into executive session to discuss the report from F. Murphy. After the executive session was concluded, Mr. Sheehy moved to issue an RFP to competitively bid the contract for legal services for the SEU pursuant to several requests made previously by Frank Murphy and at his recommendation, seconded by Mr. Jones and unanimously carried.

**IV. DNREC**

**Report on DNREC Review of RGGI and ARRA funds and expenditures - C. Snyder**

Dr. Carolyn Snyder provided a report and a handout for the Board containing DNREC's reconciliation of the SEU's finances. There was significant discussion about the report and handout.

**V. SEU Business**

**a. Proposal to Create a Committee to Advise the Board on Procurement Policy**

After discussion, Mr. Jones moved to have Executive Director Tony DePrima prepare alternative draft procurement policies with performance based management for the Board's consideration, seconded by Dr. Byrne and unanimously carried. Under the motion, the draft alternatives proposed by the Executive Director should mirror the State of Delaware procurement policy as closely as possible, while also taking into account national trends and the policies adopted by organizations such as the Maryland Clean Energy Center, the Energy Trust of Oregon, and Efficiency Vermont.

**b. Discussion of Responsible Contractor Policy and creation of a committee to recommend action by the Board, with SEU Bond Counsel assisting the committee**

After discussion, Mr. Jones moved to have Executive Director Tony DePrima prepare a draft responsible contractor policy for consideration by the Board. In addition, the Board approved a motion to seek advice from the SEU's bond counsel Baird Brown at the Drinker Biddle law firm on the possible effects that the procurement policy and the responsible contractor policy would have on past and future SEU bond issues, seconded by Dr. Byrne and unanimously carried.

**c. Proposal to create a committee to nominate a new member(s) to the Executive Committee**

The Board was presented with a motion by Mr. Jones, seconded by Mr. Finnigan, to hold an election of Co-Chairs for the Board. After discussion, the motion was tabled for consideration at the next Board meeting.

**d. Consideration of Statements - F. Murphy Professional Services for January, February 2012**

After discussion, Mr. Sheehy moved to pay the January and February 2012 statements submitted by Frank Murphy, seconded by Mr. Finnigan and unanimously carried.

**e. Report - Becker Capital on New Finance Program Designs; Consideration of Statements - Becker Capital**

Because the Board entered executive session to consider a report by Frank Murphy earlier in the meeting, Kenneth Becker of Becker Capital, who was participating by phone to give a report, had to drop off the call. After discussion, Mr. Sheehy moved to pay the statements submitted by Becker Capital, seconded by Mr. Williams and carried with one abstention (Secretary O'Mara).

**f. Consideration of BDO Request for an increase in its capped fee from \$24,500 to \$39,500; Consideration of Statement BDO**

After discussion, Mr. Day moved to increase BDO's capped fee from \$24,500 to \$39,500, seconded by Mr. Williams and carried with Mr. Sheehy voting against the motion. Mr. Jones moved to pay BDO's statement for service rendered, seconded by Mr. Williams and unanimously carried.

**VI. Status Reports**

**a. Update on Sustainable Energy Utility SREC Auction Market**

The Board was presented with a very positive report on the SREC Auction Market and the performance of SRECTrade, the contractor retained by the SEU to administer the auction market.

**b. Executive Director's Report – T. DePrima**

- i. Budget Report - March 2012**
- ii. Activity Report - March 2012**

The Executive Director provided Budget and Activity Report's.

**VII. New Business/Old Business**

**VIII. Adjourn**

The meeting adjourned at approximately 1:00 P.M.