

Sustainable Energy Utility Oversight Board Meeting
DNREC Lukens Office - 391 Lukens Drive
New Castle, DE
January 11, 2011

Minutes

Dr. John Byrne
Senator Harris McDowell
Chuck Wagner
Sean Finnigan
Collin O'Mara
Randy Day
Roger Jones
Representative Dennis E. Williams

Carolyn Snyder
Frank Murphy
Cara Lampton

Members of Public

Finn McCabe
Jim Black

I. Welcome

Senator McDowell called the meeting to order around 8 AM.

II. Executive Session

A motion was made to enter into executive session. Board attorney Frank Murphy explained the reasons why an executive session was needed and the grounds under FOIA, as reflected on the agenda for the meeting. The motion to go into Executive Session was approved unanimously. At the conclusion of the executive session, a motion was made to return to public session, which was approved unanimously

In public session, the Board unanimously approved a motion to retain Becker Capital and NW Financial as the co-financial advisors for the SEU, with Becker Capital taking the lead role. The Executive Committee was authorized to complete the contract negotiations under capped fee arrangements with both firms.

In addition, a motion was made to retain the Drinker Biddle law firm as bond and tax counsel for the SEU for the proposed bond issue, and the motion passed unanimously.

III. New Old Business

The request was made to Board members to respond to the scheduling poll for the board retreat. The purpose of the meeting will be to collect input and ideas to assist with mission development, staffing needs and roles, and strategic planning for the future. Senator McDowell will take the lead on developing the agenda in coordination with Cara Lampton. A request was made to discuss the Advisory Committee at the retreat.

The Board discussed budget and invoicing procedures. Right now it is decentralized and therefore the division of tasks is dispersed. We would like to push away from inefficiencies. Additionally, staffing at the lowest cost is needed.

Additional concerns were expressed about the process for invoicing. No system in place and DNREC should only approve contracts. Carolyn Snyder had to approve invoices after Board approval. Payment approval should be made by those that hold the contract. DNREC will provide a proposal for the next board meeting. DNREC will submit a memo to the Executive Committee beforehand.

Dennis E. Williams suggested the board needs to figure out what resources are needed to move forward and hopes to see this addressed at the retreat. The development of a Budget should reflect this.

The Board voted unanimously to approve three outstanding invoices owed to Frank Murphy's law firm, which had been circulated to the Board for review and consideration.

IV. Approval of Meeting Minutes

Dr. Wagner made a motion to approve both October and December 2010 minutes. Secretary O'Mara seconded. The motion was approved unanimously.

V. Contract Administrator Program Updates

- a. Strong participation in HP program. HVAC program merged on January 1.
- b. Residential new construction pilot rebates have been paid totaling 11. There are 21 pending.
- c. Residential lighting program is running in 60 retail locations in Delaware.
- d. Appliance rebate program has closed. Heating and cooling rebate program has merged under HPwES. Working on grant closeout.
- e. Multifamily housing program: schedule for settlement is late. Working to get final energy savings.
- f. Business Plus Program has moved from prescreen to preapproval and participation on the incentives side is improving. The loan side of the program is not as good as hoped. AEG is working with Catalyst to improve participation.

Dr. Wagner dropped off conference call for the meeting.

Rep. Williams asked about the SKUs choice for the lighting program and the higher wattage bulbs. Matt Lillard of AEG will look into it. Secretary O'Mara noted that there are lots of good stories, they need to get the message out about existing programs before bond issuance as big event.

Senator McDowell invited Becky Fleischauer to the upcoming retreat.

Senator McDowell introduced new policy fellows Maggie Surface and Cassie Brunette.

VI. Public Comment

Jim Black asked for a performance contracting update that is not confidential. Ralph Nigro provided an update, noting that 3 state agencies are in the energy audit process. There is a lot of activity in the program and significant dollars. Performance contracting will lead with state agencies. Ralph Nigro can't give energy savings % goal until audits finalized, however typically the energy savings is at twenty to thirty percent. Typically, one would like to see about 15 % to make the performance contract economically feasible.

Finn McCabe provided update on the RE taskforce. Long-term contracts will be coming. They will brief the Board.

Staff will try to schedule board meetings for next three months.

Cara Lampton will add Becky Fleischauer to retreat email list.

VII. Adjourn

A motion to adjourn was approved unanimously.