

**Delaware Sustainable Energy Utility Oversight Board Meeting
Senate Majority Caucus Room, Legislative Hall, Dover, DE
10:00 a.m., May 13, 2010**

ATTENDANCE

Oversight Board Members

Senator Harris B. McDowell, III, Co-Chair

Secretary Collin O'Mara, Department of Natural Resources and Environmental Control

Sharron Cirillo, Public Accountant

Representative Pamela Thornburg

Dr. Charles Wagner, Manufacturer of Energy Devices

Roger Jones, Nature Conservancy

Nnamdi Chukwuocha, Kingwood Community Center

Michael Sheehy for Judge Arthur Padmore, Delaware Public Advocate

Charlie Smisson, State Energy Coordinator (ex officio)

SEU Contract Administrator

Ralph Nigro

Board Staff

Sean Finnigan, Delaware State Senate

Frank Murphy, SEU Attorney

Scribes

Cara Lampton, Delaware Energy Office

Peter Olmsted, Center for Energy and Environmental Policy

I. Welcome

Senator McDowell provided Board member introductions and asked members to review meeting minutes from March 10, 2010. The minutes were approved unanimously.

II. Executive Session

Senator McDowell requested that the Oversight Board enter Executive Session to discuss items of proprietary nature. SEU attorney Frank Murphy cited the relevant FOIA section providing for executive session. Members of the public were asked to excuse themselves. Executive Session Minutes were recorded.

Board concluded Executive Session at 11:30 a.m and returned to open meeting.

III. SEP Program Update

Secretary O'Mara updated the Board on the status of ARRA funding and distributed a detailed summary outlining the breakdown by program. The following programs and program areas were described and discussed in detail: Residential Programs (Multifamily, Lighting, New Home Construction, HOMESTAR, Appliance Rebates); Commercial & Industrial Programs; Green Energy Fund; Solar Energy Grants & Loans; and agricultural opportunities. Board members thanked the Secretary for the update and emphasized the need to effectively deliver and leverage these resources.

Sharron Cirillo motioned to approve the status report as presented by Secretary O'Mara. Senator McDowell seconded the motion. The motion was approved unanimously.

IV. SEU Revolving Loan Fund Update

The CA updated the Board on the development of a SEU revolving loan fund. The CA presented a draft policies and procedures manual to members and requested that the Board consider the adoption of such manual. The CA explained that the manual would provide important guidance for developing and governing direct lending practices through a revolving loan fund. Board members were in general agreement with adopting a policies and procedures manual, but expressed the need for further discussion surrounding issues including risk tolerance, liability and insurance protection.

Dr. Wagner motioned to adopt the Revolving Loan Fund Policies and Procedures Manual contingent upon a satisfactory review of outstanding issues. Secretary O'Mara seconded the motion. The motion was approved unanimously.

V. Old & New Business

Secretary O'Mara updated the Board and members of the public about the status of the Sustainable Communities Program. The Secretary expressed the need to suspend this initiative in order to allocate resources and prioritize other SEU programs.

Mr. Murphy advised the Board to engage a RFP process and forward a RFP draft to the Executive Committee in an effort to secure sufficient legal counsel for the SEU. Mr. Jones motioned to initiate this process. The motion was approved unanimously.

Board members and the CA agreed that the SEU market research would be made available to the public via the SEU websites and by request. Board members also agreed that presenting the market research to the public through workshop could provide a valuable opportunity to explain some of the rationale behind program design. The CA provided a general overview of the market research process and results, and explained that this effort was required both in the law creating the SEU as well as the RFP for the contract administrator.

The Delaware Secretary of Agriculture, Ed Kee, and Executive Assistant, Mark Davis, were welcomed by the SEU Board and provided an opportunity to describe their efforts in Delaware's agricultural sector. Mr. Kee and Mr. Davis explained that the Department of Agriculture has initiated a feasibility study to analyze energy consumption in the poultry and produce processes industry. The dual purpose of these efforts is to identify strategies to reduce energy costs and enhance environmental protection. Board members thanked Mr. Kee and Mr. Davis for their attendance and expressed enthusiasm regarding their efforts. Board members agreed that there are a host of opportunities in Delaware's agricultural sector for which the SEU can participate.

Sean Finnigan provided an update regarding the Dover Sun Park project indicating that all necessary contracts have been executed and the expectation is to hold a groundbreaking event in June.

VI. Public Comment

There were no public comments given.

VII. Adjourn

The meeting adjourned at 12:09 p.m.