



Executive Director's Report

May - August 2018

- **Property Assessed Clean Energy (PACE) Signed into Law** - Senate Bill 113 co-sponsored by Senator McDowell and Representative Trey Paradee was passed at the end of the legislative session. While the bill was carried by support from the Democratic caucuses at the end of the day we did get several republicans to support the bill including the two minority leaders. On August 29th, the Governor signed it into law. At the September board meeting, we will be bringing action items to move the program forward.
- **Ending the Community Energy Center Pilot and Transfer Function to a New Program** – For a variety of reasons that will be discussed at the September Board meeting, we are recommending ending the Community Energy Center Program and will offer energy counseling, advocacy, and referrals in combination with a new home energy checkup program. We propose calling the program the Home Energy Checkup and Counseling (HEC²) Program.
- **HPwES Transition** – We have passed the six-month anniversary with Franklin Energy as our new Home Performance implementer with operations going smoothly. The program is now open to new contractors, and the program has been modified to keep it within our budget goals. We celebrated this with a ribbon cutting for Franklin's new office in Newport in June. Mayor Spencer helped us cut the ribbon and he expressed appreciation for bringing 5 new jobs to his town.
- **HPwES Shared Costs and Savings Opportunities** – We have now entered into our first shared costs and savings agreement. It is with the Lewes Board of Public Works. They will be contributing funds to the HPwES program in exchange for crediting them energy savings. We are making a similar effort with Chesapeake Utilities. The goal is to develop cost sharing opportunities with utilities, which diversifies our revenue.
- **Successful SREC Auction Held** – On August 8th, we held our 7th consecutive annual SREC auction. The online auction results are processed in our offices. 15,000 SRECs were accepted which fulfilled the DPL 2018 goal. The weighted average was \$28.50 per SREC.
- **Potential Small Business Programs** – We are now testing the Public Purpose ESCO concept by running a pilot program with Rose Hill Community Center. We are working with the Center from the energy audit through hiring of contractors to financing and funding. A barrier for small businesses and non-profits is finding the time and resources to hire and manage contractors. We are trying to fill that void and re-coop our expenses through the financing.

Status of State Energy Efficiency Bond Issue

The \$4.3 Million bridge loan to DHSS was completed. We have decided to split the Bond issue into two separate issues. We are moving forward with the projects that are ready for permanent financing: Colonial School District, Indian River School District, and DHSS. OMB has decided that the OMB and DOC projects will not participate in the first issue. These two projects are not ready and may be better financed through direct funding by OMB. The Caesar Rodney School District has made the same decision. At the September Board meeting, we will be beginning forward action items with the goal of issuing the bond by November or December.

Updated 9/17/2018

Agency\SD	ESCO	Independent Owners Rep.	High Contract Estimate (millions)	Low Contract Estimate (millions)	Actual IGA Project Cost	IGA Estimated Completion Date	Status
OMB	NORESCO	Celtic	\$ -	\$ -		On Hold	Dropped out
DHSS	Trane	DEDC	\$ 4.3	\$ 4.3	\$4,335,857	Completed	Ready for Bond
DOC	NORESCO	Celtic	\$ -	\$ -		On Hold	Dropped out
Colonial	Trane	Studio JAED	\$ 7.7	\$ 7.7	\$7,675,937	Completed	Ready for Bond
Caesar Rodney	Ameresco	Studio JAED	\$ 4.1	\$ 4.1		Reevaluating	Maybe Drop
Indian River	Trane	Studio JAED	\$ 7.5	\$ 7.5	\$7,235,349	9/20/2018	Completed
Total			\$ 23.6	\$ 23.6	\$19,247,143		