



## Executive Director's Report January-February 2018

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- **HPwES Transition** – The transition to Franklin Energy is now complete. Sue Sebastian has worked really hard during this period and deserves a lot of the credit for a smooth transition. We are now focused on serving new customers and training contractors. For example, we are holding a workshop to teach contractors how best to help their customers understand and use our residential loans. Franklin Energy is now fully staffed. They will soon be moving into offices in the Wilmington area and are planning to have a ribbon cutting ceremony.
- **Wilmington Street Lights** – I am working with the City of Wilmington and Trane on a possible LED Streetlight Conversion Project. This could be a real ground-breaking effort for Delaware. DPL has pledged to the Mayor to cooperate in this initiative. However, it will have to involve changing the DPL lighting tariffs. To help in this effort, I am having our LED street light tariff study updated. You may recall that we did an LED study in 2015 as a part of the Exelon Merger Agreement.
- **Meeting with DEMEC** – I am meeting with DEMEC (Delaware Municipal Electric Corporation) in March, this is the first time I have been given an opportunity to address their Board and seek opportunities for providing energy efficiency programs to its members. I will be advocating that they start contributing to the cost of our programs in exchange for being credited energy savings. If we can work this out, this will help diversify our income sources.
- **Brandywine School District** – We have received a letter from the Brandywine School District expressing their interest in participating in an ESPC contract financed by the DESEU. Unfortunately, it is too late for them to join the 2018 Bond Issue. So, we will have to work with them on a loan. They are going to target some select buildings; they are working with Trane.
- **Solar Resiliency Program** – This initiative is finally moving forward. We have a signed Purchase Power Agreement for a 140-kW solar system with a battery backup. The Loan Committee has approved a \$981,500 loan to Edison Power, and we will be purchasing the SRECs from the system for an upfront cost of \$76,500.

## Status of State Energy Efficiency Bond Issue

The bond issue projects continue to move forward. We are in the process of preparing documents for a 4.4-million-dollar bridge loan to DHSS. The goal is to get this project started in April. We are still waiting for several OMB decisions to be made regarding their own project and the DOC project. There is a chance that the OMB project may expand into a second phase; we are working on developing a bond issue that can accommodate a second phase. We may do a bond that accommodates the projects that are ready to go, and those that are not yet ready will be held to a phase two issue. We are still planning for a spring 2018 bond. Below is a table of our latest estimates on the size of the issue.

Updated 2/15/18

Agency\SD	ESCO	Independent Owners Rep.	High Contract Estimate (millions)	Low Contract Estimate (millions)	Actual IGA Project Cost	IGA Estimated Completion Date
OMB	NORESCO	Celtic	\$ 4.2	\$ 4.0		Pending
DHSS	Trane	DEDC	\$ 4.3	\$ 4.3	\$4,335,857	Approved 2/9/18
DOC	NORESCO	Celtic	\$ 4.6	\$ 3.4		Pending
Colonial	Trane	Studio JAED	\$ 7.7	\$ 7.7	\$7,675,937	Completed
Caesar Rodney	Ameresco	Studio JAED	\$ 4.1	\$ 4.1		3/15/2018
Indian River	Trane	Studio JAED	\$ 7.5	\$ 7.5		3/15/2018
<b>Total</b>			\$ 32.4	\$ 31.0	\$12,011,794	