

Delaware Sustainable Energy Utility
Meeting of the Oversight Board
391 Lukens Drive, DNREC, New Castle, DE 19702
Dover, DE 19904
May 17, 2019 – 9:00 AM

Welcome

Senator Harris B. McDowell, III, called the meeting to order at 9:00 AM. Members present were Kristopher Knight, Richard Jones, Andrea Kreiner (proxy for Secretary Garvin, Department of Natural Resources and Environmental Control (teleconference), Michael Chajes, Joseph Schorah, Andrew Slater (teleconference), Sean Finnigan, Senator Trey Paradee (teleconference). Also present were Frank Murphy (teleconference), General Counsel, Anthony DePrima, Suzanne Sebastian, and Lisa Gardner.

Members Absent: NONE

1. Approval of Minutes

a. Executive Committee Meeting - February 20, 2019 - Mr. Schorah moved for approval of the minutes, seconded by Mr. Finnigan and unanimously carried.

b. Oversight Board Meeting - March 15, 2019 – Mr. Chajes moved for approval of the minutes, seconded by Mr. Finnigan and unanimously carried.

2. SEU Business

a. Budget FY 2019/20 - Copies of the Budget Notes and Budget were distributed to members (items were also included in the packet that was previously emailed to all members).

Mr. DePrima reviewed each line item depicted on the Budget Notes, including an overview of the new PACE Program.

Ms. Kreiner questioned why funding for the Non-Profit EEIF Grant Program was eliminated. Responding, Mr. DePrima stated that several years ago, the SEU stepped in to assist the State when funding for EEIF (non-profits) was reduced. In answer to the addition question of why spending less than budgeted; Mr. DePrima stated that the State is now also funding this program through their RGGI dollars, as well as utilizing public utility tax dollars and Exelon resources. Mr. Underwood stated that last year's funding for this project was approximately \$220,000. Ms. Kreiner indicated that the State was still in need of assistance to fund this program and recommended budgeting \$200,000 in the upcoming fiscal year; responding to Senator McDowell there were no objections amongst the members.

Mr. Slater questioned why Climate Conversations was intertwined with the Faith Efficiencies Program. He felt this topic is not part of SEU's mission and is being addressed by DNREC's Coastal and Climate Division. He sees it more as a marketing expense (RGGI).

Ms. Kreiner stated that DNREC is not marketing Climate Conversations like Faith Efficiencies plans to and believes that it should not be charged to RGGI.

After much discussion, a call for a motion was requested. **Mr. Jones moved to approve the increased budget amount of \$45,000 for Marketing and re-evaluate the Faith Efficiencies Program during the January 2020 Oversight Meeting. The motion was seconded by Senator McDowell and carried with Mr. Knight and Mr. Slater voting no.**

Senator McDowell moved to approve the Fiscal Year Budget 2019/20; with the following two (2) amendments: 1. \$200,000 be budgeted toward the Non-Profit EEIF Grant Program and 2. \$45,000 be budgeted to Marketing for Climate Conversations (Faith Efficiencies Program) and that the program be reviewed during the January 2020 meeting. The motion was seconded by Mr. Schorah and unanimously carried.

b. Contract Extensions/Renewals - Ms. Sebastian stated that several of our Energize Delaware Programs are ready for the renewals of their one-year contract extensions to continue to offer services. Over the past two years, we have worked to streamline these programs and contracts to coincide with our fiscal year. It was decided to continue offering these programs with the option of one (1) year extensions to the current contracts at the discretion of the DESEU Board. The Lights On Delaware Strong Program is an expansion of the pilot programs delivered for the communities of Dover, Seaford and Milford. We plan to now offer this program statewide through our partnership with HELP Initiative, Inc.

<u>Program</u>	<u>Implementation Contractors</u>
Faith Efficiencies	Delaware Interfaith Power & Light
Pathways to Green Schools	Green Building United
Pre-Weatherization	Catholic Charities
Affordable Multifamily Housing	New Ecology
Energy Assessments for Non-Profits	UD, Industrial Assessment Center
ZeMod	Milford Housing Development Corporation
	VEIC
Lights On Delaware Strong	HELP Initiative, Inc.

Mr. Finnigan motioned to authorize the Executive Director to enter into one (1) year extensions for the above-mentioned programs with the current implementation contractors for the not-to-exceed amount based on the FY 20 Budget approved by the Board, the motion was seconded by Mr. Chajes and unanimously carried.

c. PACE Guidelines (Revised) - Copies of the Revised PACE Guidelines were distributed to members (items were also included in the packet that was previously emailed to all members). Mr. DePrima reviewed each one of the following amendments in detail:

1. After meeting with New Castle County officials, they requested that the DESEU disburse funds collected by the county to capital providers. This would be a preferred method and would better ensure that all payments are made correctly. The related change is on Page 8.
2. Added more specific minimum standards for energy efficiency assessments and renewable energy feasibility studies. These can be found on pages 21 and 22. This is a request is being made after reviewing some recently published guidelines in other states.
3. More specific requirements for dynamic building simulations for new construction where comparisons between “As-Built” designs can be compared to IECC\ASHRAE energy efficiency standards to demonstrate exceedance above the standard. This change is on page 26. This is a request he’s making after reviewing some recently published guidelines in other states.
4. Throughout the document you will see some minor fixes solely for the reason of clarification.

Responding to Mr. Schorah’s request to add language regarding Delaware contractors, Mr. DePrima stated that the guidelines were developed from the SEU’s Loan Policy and suggested that the topic of incenting Delaware contractors needs to be explored with the consultant.

Mr. Jones moved to approve the revisions as presented, seconded by Mr. Schorah and unanimously carried.

d. Consideration of Statements - Mr. Slater motioned to approve the following statements, seconded by Mr. Jones and unanimously carried.

- i. NW Financial Group, LLC – February 2019 – March 2019 (\$10,788.75)
- ii. Young Conaway Stargatt & Taylor, LLP – February - April 2019 (\$6,373.60)

3. Reports – The following reports were presented to the Board - Mr. DePrima stated that, due to timing, a staffing issue did not get included in his Executive Director's report. He indicated that Lisa Gardner (Office Manager) has expressed a desire to decrease her work hours. Although no details/arrangements have been discussed, Mr. Finnigan moved to authorize the Executive Director to advertise for the position (if needed), seconded by Mr. Schorah and unanimously carried.

- a. Executive Director
- b. Program Manager
- c. Media Campaign Presentation
- d. Budget Report - Ending April 2019

Meeting Adjourned at 10:50 A.M.