



Executive Director's Report

May - August 2019

- **Property Assessed Clean Energy (PACE) Program** – On September 10th we successfully concluded our negotiations with New Castle County on a participation agreement. I will now begin working with Sussex and then Kent County and begin transitioning to operating a live D-PACE program. At the September Board meeting, I will present a contract extension for SRS to assist us through transition.
- **Exelon Settlement Funds Low-Income Program** – DESEU was selected to manage the \$4 million settlement fund. I responded to the RFP in March and was notified of our selection in June. I will submit a proposed scope of work to the Board in September. DESEU will receive 4% of the funds distributed to cover our overhead.
- **Energy Efficiency Master Lease** – Banc of America Public Capital Corporation was the best bidder for our Master Lease RFP. They fulfilled all the basic requirements, including allowing 20-year term on the leases and offering up to \$30 million in financing over a 3-year period. The contract will be presented to the Board at the September meeting.
- **New Staff and Retaining Existing Staff** – Athena Bi was hired as our Associate Program Manager. Athena is finishing her Ph.D. at the Center for Environmental and Energy Policy in University of Delaware and has worked as Senator McDowell's intern for three years. She will be a fantastic addition to our staff. She has many unique qualities that will help us move forward.

Also, I informed the board at our last meeting that Lisa Gardner was considering leaving the DESEU to seek part-time employment. I am very happy to report that I was able to retain Lisa by changing her work schedule to four days a week. She seems very pleased with the arrangement. I have retained Cassandra Rodriguez, our former intern, to fill the gap.

- **Early Refinancing of Bond Issue** – We have been approached by a reputable investment bank with a proposal to refinance our 2011 tax exempt bonds with new taxable bonds. The proposal stems from unusual conditions in the market place and changes in tax law, they project that the State can save over \$6 million in bond payments with refinancing. Doug Bacher, Baird Brown, and I are examining this idea. I do not recommend unilaterally accepting the proposal, but I would like to issue an RFP based on the idea.
- **Sale of SRECs** – DESEU holds SREC contracts purchased through past Upfront SREC purchase program. SRECs received through these contracts are held in our SREC accounts. For the first time, we have been approached by a broker to sell these SRECs. I have accepted an offer at \$17/SREC this year and \$17.75/SREC for the following year. We would sell 6190 SRECs. That would yield \$105,230 and \$109,872.50. Under our contract with InClimate, who manages the program, we would split the proceeds in half in lieu of their monthly services fees.