



# Executive Director's Report

January 2012

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The following is a general summary of my activity:

- **Administration:** Lisa Gardner has started (01-30-12) as our Office Manager. Computers and networking equipment has been purchased and installed. Office is now fully functional. The Website is now under our administration. Staff has been trained on basic administration, more detailed training continues. Met with State Energy Office staff to review the website completely and determine what changes are necessary. We have begun shopping for general liability insurance. This was not a budgeted item in the Administration Budget. Gathered necessary data for our accountants BDO to create IRS 1099 forms. Filed quarterly tax reports with IRS.
- **LS Power SREC purchase & Gats registration:** Confirmed payment to White Oak Solar Energy LLC in the amount of \$125,686 for 580 SREC's.
- **SREC Auction\Procurement Agent Contract:** Met with Kevin Quilliam, President of SRETrade to discuss program moving forward, and some outstanding issues. Participated in discussions and assisted in review of "SRETrade- SEU" and "SEU-DPL" contracts.
- **Networking and Orientation:** Through various meetings I continue to learn more about our programs and the overall renewable energy and energy efficiency world. I completed meetings with Board Members: Williams; Wagner, Sheehy, Day, and O'Mara; I have now met with all Board members with the exception of one. I have also met either individually or within a group with the following organizations: ICF International (contractors for Home Performance with Energy Star), Vermont Energy Investment Corporation; Siemens; ESCO's Measurement & Verification Committee; Aesthetica (graphic firm that worked with AEG); Mid-Atlantic Solar; Jackie Griffith-Controllers Office; Tom Noyes-staff to Renewable Energy Task Force; Jennifer Casey -Delaware Home Builders\Green for Green Program; Energy Code Committee.
- **Programming and Marketing Opportunities:** I am being contacted by businesses and organizations looking for assistance or partnerships with SEU. When this occurs I notify our Chairmen, if they ok it, Ken Becker and I will further explore. Similarly, I am also being contacted to sponsor events or advertise in targeted print editions. For example; the Green and Healthy Living Expo being held on April 14<sup>th</sup> is looking for sponsors, and Morning Star Business Report (a down state business magazine) is having a GO GREEN edition. At this point I am advising that we have not budgeted money for programs, marketing or promotions.



# Executive Director's Report

February 2012

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The following is a general summary of my activity:

- **Administration.** The Website is now under our administration. We have begun updating information, placing news releases and notices, and deleting outdated information. I am now the official contact from and I have been fielding many questions from participants in Energize Delaware programs. We have successfully found General Liability insurance at \$1200 much lower than originally reported. All computer hardware and software has been purchased. Continue to support our accountants BDO with data requests; also with them set up a chart of accounts and issued IRS 1099 forms.
- **LS Power SREC purchase & Gats registration:** Confirmed payment to White Oak Solar Energy LLC in the amount of \$144,322.20 for 666 SREC's produced in January. We currently have 2838 SREC's in our GATS account.
- **SREC Auction\Procurement Agent Contract:** Program continues to move forward. Auction will open on April 2, 2012. Participated in contract discussions which concluded on Feb 24. Continue to work on setting up banking procedures, SEU ONE LLC, accounts and tax id is set up. Assisted in SRECDelaware.com website set up and I have been fielding questions from website. Worked on the initial draft of the related press release.
- **Networking and Orientation:** Through various meetings I continue to learn more about our programs and the overall renewable energy and energy efficiency world. I have also met either individually or within a group with the following organizations: Interfaith Power & Light Energy ( I attend their workshop Saturday 2/25); Kenyon Energy; Corliss Inc. In addition I am participating in the Measurement & Verification Committee for the EERS Taskforce and now attend Renewable Energy Task Force meetings. I was also appointed to the DTCC Energy Management Programs Advisory Committee. I also met with the Delaware Association of Non-Profit Agencies and have joined the organization. They have a "Standard of Excellence Program" that we may want to enroll in.
- **Programming and Marketing Opportunities:** With Ken Becker I continue to meet with potential program partners; I attend five such meeting in February. In an anticipation of starting up RGGI funded programs in the future am actively researching and collecting information on energy efficiency and renewable energy programs from around the country. In addition I am collecting samples of RFP's for such programs. Also in anticipation of published some kind of annual report for 2011 and earlier I have been review data from the State of Delaware with respect to the carbon and cash saving of Energize Delaware programs; I am also discussing the design with the firm that drafted an earlier version.



# Executive Director's Report

March 2012

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The following is a general summary of my activity:

- **Administration.** Begun setting up our accounting software; with the assistance of BDO we developed a chart of accounts. Continue to support BDO and DNREC with data requests related to the financial assessment. Started evaluating 403B retirement plans for the Boards consideration. Begun reviewing policies from the DANA "Standard of Excellence" Program. Continue to work on the website: adding all approved agenda's and minutes. Cleaned out the trailer with "EnergizeDelaware" marketing material; retained current material and moved to our office.
- **LS Power SREC purchase:** Confirmed payment to White Oak Solar Energy LLC in the amount of \$180,077 for 831 SREC's produced in February. We currently have 2838 SREC's in our GATS account, the February SREC have not yet transferred into our GATS account. Set up a sub-account for future payments which transfers payment responsibility from Dr. Byrne to the Executive Director.
- **RGGI Payment.** SEU received a payment from DNREC in the amount of \$1,831,088.58. This includes, but is not limited to proceeds from December RGGI auction
- **SREC Auction\Procurement Agent Contract:** Auction will open on April 2, 2012. Webinar was held on March 26<sup>th</sup>, there was over 100 participants. Participated in weekly status meetings. Continue to field 3-4 questions per day. Attended a DESEC meeting to discussion the auction. Developed sample Letter of Credit. Set up the SEU One, LLC accounts to received funds from DPL and pay out funds to auction awardees. Worked on the initial draft of the related press release. Set up vendor account with DPL.
- **Networking and Orientation:** Toured the Astra Zeneca solar facilities. Met with White Optics Inc., they manufacture Energy Efficient lighting retrofit products in New Castle. Participating in the Measurement & Verification Committee for the EERS Taskforce, some basic decision have been made on what standard measures Delaware should use to evaluate energy efficiency programs, also determined that it not feasible for the SEU or the State to participated in the PJM Energy Efficiency Market for past programs. Participate in the Renewable Energy Task Force meetings heavily engaged in shaping the next auction and determine what data will be needed from the current SREC auction.
- **Programming and Marketing Opportunities:** Continue research and collect information on energy efficiency and renewable energy programs from around the country. Continue to collect samples of RFP's for such programs. Met with DEMEC to discuss possible LED street light program. Provided contact information to Ken Becker for municipalities. Met with representative of Siemens and MMT Bank to discuss future financing programs.



# Executive Director's Report

April 2012

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The following is a general summary of my activity:

- **Administration.** We completed setting up accounting software and Lisa is now inputting past revenue and expenses back to January 1, 2012. We completed the evaluation of 403B retirement plans, and have selected a plan for the Board's consideration. Lisa continues to work on the website: with the assistance of Frank Murphy we continue to add past agendas and minutes.
- **LS Power SREC purchase:** White Oak Solar Energy LLC was paid \$250,938 for 1158 SREC's produced in March. We currently have 3669 SREC's in our GATS account. We completed a sub-account set up and I now have payment authority.
- **SREC Auction:** The SREC Auction opened on April 2, 2012 and closed to all Tiers on April 13<sup>th</sup>. Throughout April we continued to field 2-3 auction questions per day. On April 18<sup>th</sup> we held the Tier 1&2a lottery and the Tier 2b&3 selections using an online system at the SEU office. Witnesses included PSC and Public Advocate staff; we also had observers from the Solar Industry. The event was considered successful by all. Post auction we worked with the Delaware Electric Co-op and Municipal Electric Departments to verify connection dates. I trained on the PNC ACH system that will be used to pay auction winners for their SREC's. Continue to host a weekly coordinating meeting between DPL, SRECTrade, and the SEU. I began billing DPL per our contract.
- **Purchasing Policy:** I developed a draft Procurement and Contracting Policy and sent it to the Board for review on April 20<sup>th</sup>. As a base I used the City of Dover Policy which in turn uses State Purchasing Policy thresholds and advertising guidelines. I reviewed policies from other organizations including Delaware Association of Non-profits; the VEIC (Vermont Energy Investment Corporation); Oregon Energy Trust, and Maryland Clean Energy. Lastly, I incorporated the provisions of the Board's December 22, 2010 "Resolution On Professional Services" into this document.
- **Request for Proposals – Legal Services.** The RFP was developed along with a public announcement. The RFP was based on a State of Delaware example, and I also reviewed other RFP's from other public organizations. The RFP legal notices will be published in May.
- **House Bill 305 –** This Bill is a substitute for an earlier bill (HB287) and has the effect of putting the SEU under state procurement laws. Frank Murphy and I were invited by Sierra Club to discuss with them what their position should be. We presented many positive aspects of the SEU as well as how we were moving forward on our own purchasing policy. Subsequently there was a House Energy Committee hearing on the bill; I again delivered a positive message. The Sierra Club supported the notion of postponing the bill until the SEU had an opportunity to adopt its own policy. Nevertheless the Committee voted to release the bill.
- **Networking:** I attended a two-day AC3E (American Council for an Energy Efficient Economy) conference. This was a good opportunity to network with individuals from organizations like the NE Energy Efficiency Partnership, the Consortium for Energy Efficiency, and the Clean Energy Finance Center. I continue to participate in the Measurement & Verification Committee for the EERS Taskforce; we are nearing completion of Delaware standards. I participate in the Renewable Energy Task Force meetings, they are shaping the next auction, and we are providing them auction results. I have been asked to join the loan review committee for the Energy Efficiency Investment Fund, at my first meeting two grants were approved.
- **Programming and Marketing Opportunities:** I continue research and collect information on energy efficiency and renewable energy programs from around the country, including samples of RFP's for such programs. I met with DEMEC to discuss possible LED street light program, have jointly developed a concept.



# Executive Director's Report

May 2012

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The following is a general summary of my activity:

- **Administration.** Lisa continues to work on the website including: updating new officers and members, posting a notice and the Governor's letter regarding Dr. Byrne's Board retirement and appointment as Honorary Member; and develop a new FOIA page. We are continuing to transition finance records into QuickBooks. Began the process of adding Kris Knight to the PNC accounts and Citibank authorization. Started the process of having all banking and Citibank statements sent to SEU office. Researched Board subcommittee functions, and began requesting subcommittee volunteers.
- **Dover Sun Park SREC purchase:** White Oak Solar Energy LLC was paid \$328,300.50 for 1515 April SREC's. We currently have 6342 SREC's in our GATS account. The May SREC's will be the final purchase for this program year completing its 7000 SREC obligation. We will begin the second and final year purchase in October.
- **SREC Auction:** Post auction our SRETrade has focused on having Transfer Agreements signed, deposits secured or refunded when appropriate. Letters of Credit were reviewed for compliance. We also worked on auction data requests and presentations for the Renewable Energy Taskforce (RETF). The RETF is in the process of evaluating the auction and preparing recommendations for the next auction. We continue to host weekly coordinating meetings. DPL Purchase Orders have been created and billing for auction services has begun, along with and paying SRETrade for their services. July begins the purchasing and trading of SREC's
- **Purchasing Policy:** Finalize and posted the procurement policy per the May's Board action. I met with Kris Knight to discuss his concerns, and developed a joint memo to the Board with some suggested amendments.
- **Legal Services Request for Proposals** Notice was posted on the website and published in accordance with state guidelines. We received four proposals. The ad hoc committee selected three firms to interview. Recommendations will be forwarded to the board on June 20, 2012.
- **House Bill 305** –This bill proposes placing the SEU under State purchasing regulations. It was voted out of the House Energy Committee, and remains on the ready list.
- **1201 Market Street LLC Loan** - This was a RGGI funded loan approved by the SEU. Principal and interest payments are current and were being held by DNREC. I have made arrangements for transferring that money to the SEU. In addition we will now be invoicing and collecting the loan payments directly beginning in July.
- **Freedom of Information Act (FOIA) requests** - Received a request from the New Journal requesting copies of checks and wire transfers issued by our Co-chairs. Developed a response that we eventually delivered in the beginning of June. I also prepared response to the questions that Mr. Stevenson posed at the May board meeting.
- **Networking.** I participated in the Renewable Energy Task Force meetings. Met with two ESCO's – Schneider Electric and Energy Systems Group to discuss future financing programs; spoke with Energy Services Coalition Executive Director Dale Hahs about the idea of a Delaware Chapter. Traveled with Delaware Home Builders Association member to the NAHB research center where energy efficient technologies are developed and tested.
- **Programming and Marketing Opportunities:** I continue to research and collect information and RFP's on energy efficiency and renewable energy programs from around the country. I am also researching Marketing and Communication Plans for Non-profits. I met with DEMEC to discuss further the possible LED street light program, we have jointly developed a concept. Developed a spreadsheet to document how AEG measured energy and cost savings of its Energy Delaware Programs.

# Executive Director's Report

June/July/August 2012

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The following is a general summary of activities:

- **Administration** - Completed the setup of the basic QuickBooks system, all banking activity from the beginning of the year is recorded. Successfully implemented using the ACH Pinnacle system for doing batch payments related to the SREC auction. Directed BDO to file an extension of our IRS 990 filing to November 15<sup>th</sup>. The Purchasing Policy is implemented. Have completed the 403B set up and implementation.
- **Energy Efficiency Bond Issue** - Worked with Citibank to develop a monthly report for the Board that gives the status. The reports show that all projects are under construction. I met with DSU and they are nearing completion. This will be our first closeout and protocols will have to be developed.
- **Budget Reports** - We have developed a new more comprehensive budget report. In addition we have developed a budget for the remainder of 2012 for Board approval and 2013 draft budget.
- **Dover Sun Park SREC purchase** – White Oak Solar Energy LLC was paid \$142,588.50 for 658 May SREC's, completing our first year contract requirement of purchasing 7000 SREC's.
- **SREC Auction** - Now completed and we have gone through two monthly cycles of collecting funds from DPL and paying the SREC generators. We also worked throughout the summer with the Renewable Energy Taskforce (RETF) providing it data. The RETF has completed its recommendations for a second auction, and is endorsing the SEU and SRETrade for the second auction.
- **Policies** - Prepared a Responsible Contractors Policy and a FOIA policy for Board approval.
- **Legal Services RFP's** - Completed the RFP, selection, and contract. Congrats to Frank Murphy.
- **Financial Services RFP's** - Completed the RFP and advertised it. Three proposals were received: Lamont, NW Financial, and Public Advisory Consultants. The Finance and Audit Committee assisted in developing a recommendation. The recommendation will be presented to the Board in during the September 20, 2012 meeting.
- **House Bill 305 & Joint Sunset Committee** - This bill proposing placing the SEU under State purchasing regulations never made it to the floor. However, the SEU was placed on the Sunset Committee agenda for the next year.
- **1201 Market Street LLC Loan** – We took over serving the loan from DNREC in July, they are current.
- **Freedom of Information Act (FOIA) requests** – We satisfied several FOIA requests over the summer. There are no current requests.
- **ESC Delaware Chapter** - Once Frank Murphy gave an opinion that there is no conflict, we moved with founding the Delaware Chapter of the Energy Service Coalition. The kick off meeting is scheduled for October 4, 2012. Its purpose is to educate Delawareans about the value of Energy Service Performance Contracting.
- **Networking & Education** - I attended and presented at the ESC and NASEO Conferences. I attended DEED (Delawareans for Environment and Economic Development) and Sustainability Roundtable meetings. I am joining both groups.
- **Programming and Marketing Opportunities** - I developed nine programing ideas\concepts for consideration by the Board at its July retreat. The Board asked that the Energy Program Subcommittee work with me to refine the proposal. At the Board meeting it was suggested that we consolidate some programs, and develop a phasing plan for programs starting with the Green for Green and Home Performance programs. A phasing Plan and budget will be presented at the September meeting of the Board.

# Executive Director's Report

September\October 2012

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The following is a general summary of activities:

- **Administration** - Working closely with BDO and Kris Knight by providing financial information for our 2011 IRS 990 filing, the 2011 Bond Issue makes the filing more complex than past years. Similarly I have been providing information to BDO related to the 2010 Compilation and to Delaware Department of Finance for their CAFR. Also we have consolidated a number of our PNC subaccounts into one account in an effort to make our book keeping operations easier. We have done a complete reconciliation of all accounts.
- **Energy Efficiency Bond Issue** - All projects are under construction. DSU is on target to complete its work in December. I attend to meet with DSU staff to discuss the close out and how the SEU could assist.
- **Budget & Bond Activity Report** - As suggested by Senator McDowell, we have developed a bond activity report that will be attached to the monthly budget report. This report shows the activity of the agencies making energy efficiency improvements and reports the depth and breadth of the Energy Performance Bond Program.
- **SREC Auction** - Now completed and have gone through four monthly cycles of collecting funds from DPL and paying the SREC generators. The steering committee adopted some changes to the monitoring requirements making it easier and less costly to provide monitoring data.
- **FOIA Policy** - Per the Board's Direction, the FOIA policy was re-written in plain language and shortened. It is on the November 15, 2012 agenda for adoption. The policy of the Delaware Inlands Bays, Inc. was consulted.
- **Financial Services Contract** - Developed a contract for NW Financial Services. It was approved by the Executive Committee on October 19<sup>th</sup>. Our main Financial Advisor is Doug Bacher, and he was briefed on SEU activities.
- **Joint Sunset Committee** - The SEU will be going before the Joint Sunset Committee sometime in late January or early February. A great deal of time has been spent on responding to the detailed "Sunset Questionnaire" by SEU staff as well as Frank Murphy.
- **ESC Delaware Chapter** -The kick off meeting was held on October 4, 2012, Senator McDowell gave an inspiring speech. We had approximately 40 attendees. The Chapter is forming committees and beginning to develop strategies as to how it will educate Delawareans about the value of Energy Service Performance Contracting.
- **Networking & Education** At a Sustainability Roundtable meeting I was able to visit and see the energy efficiency improvements that the SEU funded at 1201 N. Market Street in Wilmington.
- **Programming and Marketing Opportunities**
  - Per the Board's direction the Green for Green Program was a focus of activities. Several meetings were held with the Home Builders Association. Recommendations for a 2013 Program are on the November 15<sup>th</sup> Board Agenda.
  - Attended a meeting in the South Bridge neighborhood of Wilmington to discuss possible SEU participation in a community based solar project.
  - Held a meeting with Chesapeake Utilities representative to discuss possible partnerships in both a clean vehicle program and natural gas heating program for poultry houses.
  - In preliminary discussion with an ESCO and a school district about a possible bond financing. Our Financial Advisor will be doing some basic analytical work.
  - DEMEC has decided to do a RFP for an LED streetlight program; I continue to discuss possible SEU financing.

# Executive Director's Report

November\December 2012

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The following is a general summary of activities:

- **Administration** – 2011 IRS 990 filing was completed on time. I continued to provide information to BDO related to the 2010 Compilation.
- **Energy Efficiency Bond Issue** – We have been paid \$40,461 for our 2012 administration fee. The KIDS Department project has been completed. All projects are under construction. DSU is on target to complete its work in December.
- **SEU Intern** – I have completed all of the paperwork necessary for the intern that was budgeted. Kathleen Saul will start on Feb 1<sup>st</sup>. She is a PhD candidate at the University of Delaware, and is in Dr. Byrne's CEEP program.
- **SREC Auction** – The process of collecting funds from DPL and paying the SREC generators continues to run smoothly. We are now gearing up for the second auction currently planned for March 2013. The PSC is set to hold a hearing on January 22, 2012 for the second auction.
- **BOND Counsel RFP**- I prepared and advertised an RFP for Bond Counsel Services. We received proposals from three firms. They will be interviewed in early January and a recommendation to the Board will be made at the January 17<sup>th</sup> meeting.
- **Joint Sunset Committee** – The detailed "Joint Sunset Committee Questionnaire" was submitted to the JSC staff. A JSC hearing for the SEU has been scheduled for March 5th, 2013 – 5:30PM to 8:30PM.
- **ESC Delaware Chapter** - The new Chapter has formed three committees (Membership, Communications & Publications and Events and Outreach) each committee has developed strategies as to how it will educate Delawareans about the value of Energy Service Performance Contracting.
- **Green for Green Program:** I have been working very closely with the Home Builders Association on the details for the 2013 Green for Green Program as approved by the Board in November. We have established the steering committee; updated program documents; and draft a news release. The current plan is to roll out the program on February 1<sup>st</sup>.
- **Programming and Marketing Opportunities**
  - Energy Efficiency Bond Series (2013): My preliminary discussions with an ESCO and a school district about a possible bond financing have advanced. Our Financial Advisor has provided them with a number of financial analyses. It appears like some kind of bridge financing may be necessary. This is similar to what was done for DSU for the 2011 Bond Series. I am hoping to have more details for the January 17<sup>th</sup> meeting.
  - Home Performance with Energy Star: I continue to research programs in other states and have been in discussion with experts in the area. I have been working on a draft RFQ and hope to have it published in January.
  - Loan Program: I having been working with our Financial Advisor to update our Direct Loan Policy so that we will be address any loan requests that we may receive. I plan on having the revised policy to the Board in January.
  - Delaware Community Investment Trust (DCIC): I have restarted discussions about with DCIC in starting a loan fund to assist low and moderate income multi-family housing and community development projects.
  - Meeting with Kent-Sussex Industries and Chesapeake Utilities was conducted; discussed financing a pilot program to convert their passenger vans to compressed natural gas (CNG).