

2019 ANNUAL REPORT



**ENERGIZE
DELAWARE**
TAKING CHARGE TOGETHER.™



ENERGIZE DELAWARE VISION AND MISSION STATEMENTS

VISION STATEMENT

The Delaware Sustainable Energy Utility (DESEU) will be the leading organization in the State of Delaware in offering cost-effective opportunities for energy savings, creating new markets for customer-sited renewable-energy generation, and reducing the environmental impacts of energy production and use.

The DESEU's efforts will create jobs in Delaware, improve our national security, support the local economy, improve energy reliability and protect Delaware from the damaging effects of volatile energy prices. The DESEU will accomplish this by utilizing the authority its been granted by the State of Delaware as well as private sector entrepreneurial strategies.

Respected as an accountable, transparent, effective and nimble non-profit organization, the DESEU operates at the highest standards recognized in its industry.

MISSION STATEMENT

The DESEU, a 501(c)(3) non-profit organization, serves Delawareans by promoting the use of affordable, reliable clean energy and energy efficiency through its Energize Delaware initiatives. Energize Delaware operates as the premier one-stop shop for connecting and empowering energy consumers with the resources to reduce costs, improve the environment and ensure energy independence for future generations.

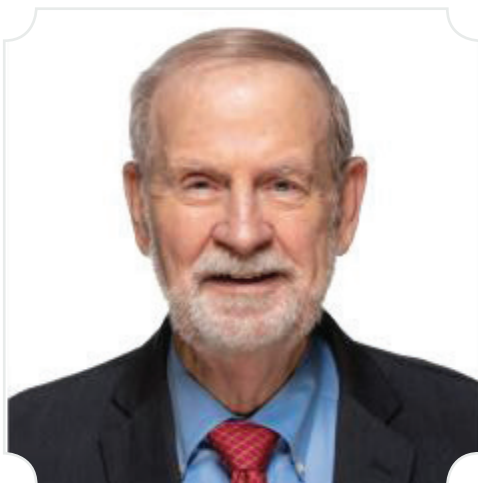
Energize Delaware develops and implements energy efficient solutions as well as clean energy and air pollution reduction programs. These programs include funding, financing and educational programs. In addition, we provide highly valuable technical and financial services to our clients so that they can make informed decisions regarding their energy future.

Energize Delaware offers programs by fully utilizing the authority granted the DESEU by the State of Delaware to issue tax-exempt bonds, use Regional Greenhouse Gas Initiative (RGGI) funds and bank solar renewable energy credits (SREC). Energize Delaware also utilizes private sector entrepreneurial strategies.

Energize Delaware focuses on building relationships with residents and businesses so that they are motivated to use less energy, generate clean energy and reduce harmful emissions. We serve people of all incomes and housing styles. We serve businesses, industries and institutions from all sectors.

We apply our programs to new construction projects, the rehabilitation of existing buildings, transportation projects and innovative technologies.

A LETTER FROM THE CHAIRMAN AND THE EXECUTIVE DIRECTOR



State Senator Harris B. McDowell III
Chairman



Anthony J. DePrima, Ph.D.
Executive Director

DEAR DELAWAREANS,

Throughout 2019, Energize Delaware continued providing value to Delaware through its energy efficiency and clean energy programs. We continued to sustain and strengthen our popular programs, while at the same time rolling out new programs.

This Annual Report includes pages about each of our energy saving programs. It also includes our annual financial statement, annual energy savings data, and our hopes for 2020.

Energize Delaware achieved several accomplishments in 2019:

- Permanent long-term bond financing for \$19 million in guaranteed energy saving performance contracts completed in February.
- Received the ENERGY STAR® Sustained Excellence Award for Program Delivery of our Home Performance with ENERGY STAR® Program.
- After a three-year campaign, D-PACE, a commercial Property Assessed Clean Energy financing program was launched.
- Lights On Delaware Strong was fully funded as a statewide program after successful pilots in Dover and Seaford improved safety and efficiency.
- Fully launched and funded the new Home Energy Counseling and Check-Up (HEC²) Program
- Fully launched the “Energize Delaware” Brand Awareness Campaign in an effort to reach more Delawareans.
- Selected to be the Grant Management agency for the new Empowerment Grant Program funded by Delmarva Power.

Energize Delaware is excited to continue serving Delaware businesses, non-profits, state agencies, local governments and residents through our Energize Delaware programs. We are dedicated to the goals of reducing energy consumption via energy efficiency, creating green jobs and reducing greenhouse gas pollution, all while saving our customers money and reducing our dependence on foreign oil.

We thank all Delawareans for our continued success story.

Sincerely,

State Senator Harris B. McDowell III
Chairman

Anthony J. DePrima, Ph.D.
Executive Director

2019 ENERGIZE DELAWARE ACCOMPLISHMENTS

Energize Delaware programs have a proven track record of providing energy-savings for Delaware's homes, businesses, farms, houses of worship, non-profits, state & local government agencies and schools. These programs aid job growth and increase business expansion through energy saving and green energy projects. These projects reduce operating costs and lower greenhouse gas emissions.

We are proud of the progress we made during 2019. We've established new partnerships to broaden our program inventory, making energy-saving programs accessible to even more Delawareans.

- Energize Delaware was selected to be the grant manager for \$4 million in funds designated for low-income energy efficiency programs for Delmarva Power customers. The funds originated from the Exelon/Delmarva Power Merger Settlement approved by the Delaware Public Service Commission.
- New Castle County became the first county in the state to embrace the benefits of the Commercial Property Assessed Clean Energy (PACE) program. In September, County Executive Matt Meyer, signed documents permitting D-PACE financing through a voluntary assessment on property tax bills that will help in job creation, encourage green investment and reduce carbon emissions.
- Athena Bi joined the Energize Delaware team in 2019 as the Associate Program Manager. Athena will graduate in 2020 with a Doctor of Philosophy in Energy & Environmental Policy from the University of Delaware's Center for Energy & Environmental Policy. Athena will be responsible for managing Energize Delaware programs as well as taking on a lead role in reporting, measurement, evaluation and verification (EM&V) efforts.
- The Energize Delaware brand awareness campaign and updated website were implemented statewide in 2019. A measurable impact was seen, as thousands of impressions were generated through radio commercials, individual newspaper ad placements, interior signs on New Castle County bus routes and billboard sites. Additionally, tens-of-thousands of social media impressions were tabulated via localized paid ad placements.
- A renewed focus on social media outreach was put into practice in 2019. The established platforms of Facebook and Twitter were given regular attention resulting in consistent postings and key messaging content. A new Instagram page was established in June. All together our social media presence showed tremendous growth, with more room to grow.
- \$19 million in energy efficiency bond financing for energy saving performance contracts was finalized during the year. The bonds financed energy efficiency improvements for the Delaware Department of Health and Human Services, Indian River School District and Colonial School District.
- Lights On - Delaware Strong was expanded to be a statewide program, in partnership with The HELP Initiative, Inc. Additional efforts in Laurel, Milford and Wilmington were funded in 2019 to bring LED porch lights, solar-powered security lights and energy education to homes in high crime neighborhoods.

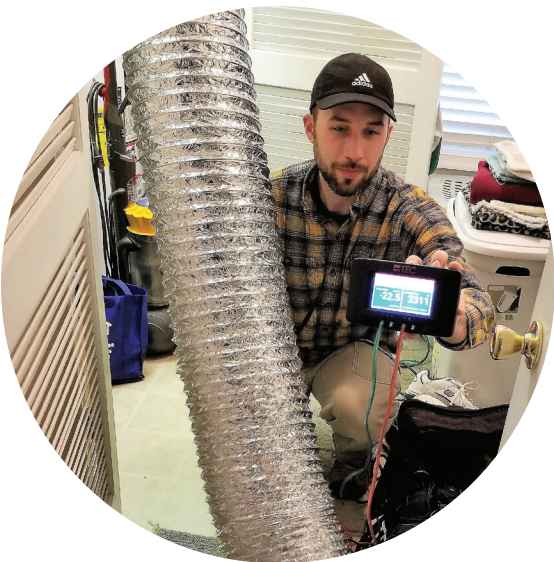


2019 ENERGIZE DELAWARE PROGRAMS

PROGRAM	MARKETS SERVED
Home Performance with ENERGY STAR®	Homeowners, Low-Income Homeowners
Home Energy Efficiency Loans	Homeowners
ZeMod (Zero Energy Modular Home)	Low to Moderate-Income Delawareans
Pre-Weatherization Program	Low-Income Homeowners
Affordable Multifamily Housing	Affordable Housing Providers
Energy Assessments for Non-Profits and Government	Non-profits, Government
Low-Interest Revolving Loan Program	Businesses, Non-profits, Government
Energy Savings Performance Contracting and Bond Financing	Public Schools, Government
Energy Efficiency Investment Fund (EEIF) for Non-Profits	Non-profits, Local Government
Pathways to Green Schools	Public and Private Schools
Faith Efficiencies	Houses of Worship
Farm Program	Farmers, Agricultural Operations
Residential Solar Loan	Homeowners
Home Energy Counseling & Check-Up (HEC ²)	Low-Income Delawareans
Lights On Delaware Strong Program	Renters and Homeowners

HOME PERFORMANCE WITH ENERGY STAR®

The flagship Home Performance with ENERGY STAR® program is going into its seventh year. Franklin Energy, continuing as our program partner, opened a Delaware office that now employs 6 staff members. A whole house approach to improving comfort and safety in the home, it provides homeowners significant savings on their utility costs. Delaware homeowners learn ways to improve the energy efficiency of their homes through completion of a subsidized, comprehensive home energy assessment performed by certified contractors. They also receive up to \$200 of energy saving items such as LED light bulbs and pipe insulation.



Home Energy
Assessment

After the assessment, homeowners making recommended energy saving improvements can take advantage of rebates that make energy improvements more affordable. Reduced assessment costs and increased rebates are also available to income qualified Delawareans. Property owners in the State’s Downtown Development Districts also receive increased rebates.

Qualifying homeowners may also apply for special 5.99% financing for energy saving home improvements, up to \$30,000, through the Energize Delaware Energy Efficiency Residential Loan Program.

Energy Efficient Earth, Energy Solutions, LLC., Burns & McBride, and Maichles Heating & Air Conditioning received the U.S. Department of Energy Century Club Award for completing more than 100 jobs in 2019. And for a third year in a row, Energize Delaware has received an ENERGY STAR® Award. In 2019, the program was awarded the Sustained Excellence Award for program delivery.

2019 Home Assessments Completed.....1,300		Lifetime Energy Savings	
2019 Homeowners Receiving Rebates 886		Audits & Jobs Combined..... \$5,093,960	
Rebates/Incentives Awarded		Tons of Air Emissions Avoided (metric tons)	
Audits & Jobs Combined.....\$1,697,352		Audits & Jobs Combined..... 960	
Annual Energy Savings		FY 20 Program Budget \$3,142,000	
Audits & Jobs Combined.....\$254,698			

BARRY & LINDA GOLDBERG



“My wife and I recently bought a 25-year-old house in Seaford, and soon realized that it required upgrading in so many areas that we needed help—lots of it, and fast! We researched the matter of energy efficient utilities, and were blessed to have found the Energize Delaware programs.

We are nothing but delighted with the results. The approved auditor and installers were detailed and professional. The gas furnace, heat pump air conditioner, and hybrid water heater recommendations were all high-quality and high-efficiency. And for the \$200 worth of free LED lights and the \$2,750 in rebates we received, we only have Energize Delaware to thank! ”

— Barry & Linda Goldberg, Homeowners

ZEMOD (ZERO ENERGY MODULAR HOME)



*The Pleasanton's
Sundial Model Home
Camden, Delaware*

In 2019, we had our first family, the Pleasanton's, move into their ZeMod Home. ZeMod Delaware is a unique new housing option for Delawareans, offering highly energy efficient, solar powered modular homes. Built by Beracah Homes, Inc., in Greenwood, Delaware, these zero energy homes produce as much energy as they use, which means no electric or fuel costs.

ZeMod homes feature super insulated walls, doors and windows, an all-electric HVAC system which incorporates efficient heat-pump technology, ENERGY STAR® rated appliances and lighting, and rooftop solar.

Energize Delaware provides energy efficiency incentives and down payment assistance for income qualified buyers to ensure the affordability of the homes for low to moderate income Delawareans. Energize Delaware partners with Milford Housing Development Corporation to work with families through the application and home ownership process.

Two models are available: the 980 square foot ranch style Solstice; and the 1,204 square foot cottage style Sundial. The Sundial model is now located in the Knoll Acres development in Lincoln, Delaware.

These homes can be designed and built for anyone interested in a Zero Energy Modular home. The model homes are available for tours by appointment.

FAYE & HOWIE PLEASANTON



"My son Howie and I absolutely love our new "Sundial" home! It's perfect for us. I can't say enough about the people who helped us achieve this dream of having a safe, secure, and efficient place to call home. We noticed an immediate improvement in Howie's allergy symptoms, they clear up much better and faster now. And we know the energy efficient features are the best around. We are very proud to be the first homeowners of an Energize Delaware ZeMod home."

— Faye Pleasanton, ZeMod Homeowner

PRE-WEATHERIZATION PROGRAM

The Pre-Weatherization program helps low-income families in Delaware prepare their homes to meet the requirements for the State of Delaware’s Weatherization Assistance Program.



Merry Fratelli’s Home
After Pre-Weatherization Repairs
Dover, Delaware

Many potential Weatherization Assistance Program (WAP) clients cannot afford the structural home repairs needed to qualify the home, and therefore lose the ability to participate in weatherization assistance.

Participants whose properties have been deferred by WAP for structural reasons are referred to Energize Delaware’s Pre-Weatherization Program.

Energize Delaware has assisted more than 350 families since the start of this program to provide funding to pay for the repair of structural issues, such as leaky roofs, broken windows and doors, or moisture in crawl spaces. The Pre-Weatherization Program will inspect homes, hire contractors, schedule repair work, and perform a quality assurance post-inspection, then re-admit these units into the WAP. Without this vital Energize Delaware program, these families would not be able to receive the important benefits of the Weatherization Assistance Program.

Participants/Clients Served in 2019.....	93	Average Incentive to Clients.....	\$4,000
Participants Completing Full Weatherization from Start of Program	324	FY 20 Program Budget	\$785,000

MERRY FRATELLI



“Everyone was so nice! They helped me with issues I didn’t know I had. If they had not told me about me basement stairs, and repaired them, I could have had a bad accident. I highly recommend this program to everyone I know that qualifies. Thank you so much for everything.”

— Merry Fratelli, Homeowner

AFFORDABLE MULTIFAMILY HOUSING

The Energize Delaware Affordable Multifamily Housing Program helps building owners identify, plan, and implement energy efficiency and renewable energy upgrades in existing buildings and new construction projects.



Laurel Commons
Laurel, Delaware

Our program delivery partners, New Ecology, Inc. and Elevate Energy, provide technical assistance, financial incentives, and low-cost financing through Energize Delaware to help affordable multifamily building owners make energy efficiency and renewable energy investments that save money on operating costs, reduce energy use, and improve the living environment for Delaware’s low to moderate income residents.

The Program offers a customized, whole-building approach that addresses all utilities and pursues possible upgrades to the building envelope, HVAC and hot water equipment, in-unit and common area lighting, energy saving appliances, renewable energy generation, qualified health and safety measures, and water saving fixtures and equipment. Buildings in this program can take several years to complete the whole process, and we currently have several properties in the initial phases of this program.

2019 Participants	4	Tons of Air Emissions Avoidance Found	
Annual Energy Savings Found	\$136,800	(metric tons)	809
Lifetime Energy Savings Found	\$2,736,000	FY 20 Program Budget	\$885,000

HOMES FOR AMERICA



“The Energize Delaware Affordable Multifamily Housing Program has been a wonderful partner in our organization’s efforts to provide high quality, affordable housing for low- and moderate-income families. The financial and technical resources available help us identify new opportunities to save energy and reduce costs. We look forward to working on many more projects with the team from Energize Delaware and New Ecology, Inc!”

— Danielle England, Portfolio Manager, Homes for America

ENERGY ASSESSMENTS FOR NON-PROFITS AND GOVERNMENT



Lighting Replacement in
Kalymar Nykel Offices

Through its partnership with the University of Delaware’s award-winning Mid-Atlantic Industrial Assessment Center (IAC), Energize Delaware funds energy assessments for large and medium size buildings operated by non-profits and local governments in Delaware. Energize Delaware pays 90% of the cost of the assessment.

The energy assessments are performed by University of Delaware graduate students under the supervision of IAC directors.

The program offers energy savings solutions for a wide variety of buildings including senior centers, community centers, churches, municipal buildings and firehouses. Savings between 20% and 30% are typically found after the installation of recommended upgrades.

Participants in this program often go on to take advantage of the Energy Efficiency Investment Fund that offers incentives for prescriptive and custom measures and the Energize Delaware Low-Interest Revolving Loan Program.

2019 Participating Nonprofits.....	16	Tons of Air Emissions Avoidance Found	
Annual Energy Savings Found	\$189,451	(metric tons)	964
Lifetime Energy Savings Found	\$3,789,020	FY 20 Program Budget	\$105,000

GRACE UNITED METHODIST CHURCH



“Grace United Methodist Church expects to see good results in our upcoming utility bills after addressing some items discovered in our energy assessment provided by Energize Delaware. We have resolved some Building Automation System issues, removed excess hot water loops and installed Lexan sheets to cover windows on the West Street side. A Church Trustee is lining up LED lighting projects that will focus on our high use and continual use areas. We are particularly interested in incorporating solar and reserve power into the design plans for a future property expansion project. We thank you again for your great service in helping Grace United Methodist Church work toward achieving efficiency and sustainability.”

— Alfred Taylor, Trustee of Leadership, Grace United Methodist Church

LOW-INTEREST REVOLVING LOAN PROGRAM

The program’s appeal is the attractive return on investment (ROI). The loans are structured to be cash positive from day one. Savings over the life of the project must be greater than the investment including financing. The program’s objective is to encourage the installation of energy efficiency and customer-sited renewable generation and greenhouse gas reduction measures. The result is lower customer utility bills and reduced environmental impact.



Wilmington Housing Authority
Solar Field

The Energize Delaware Revolving Loan Program has a track record of providing low-interest loans for businesses, farms, non-profits, school districts and local governments to reduce their energy bills by improving the efficiency of their operations. The 2019 calendar year was another strong year, closing 22 loans totaling \$5,252,363. The average loan size was \$238,743; however, they ranged from a \$500,000 loan for a ground mounted solar system to a \$21,641 loan for an efficiency improvements loan for a poultry farm. Of the 22 total loans, 16 were associated with farms participating in the Energize Delaware Farm Program. The average interest rate was 2.6% with an average term of 15 years.

2019 Applications Received	16	Lifetime Energy Savings of Loans in Repayment (EE+RE)	\$5,074,640
Value of New Loan Applications	\$3,153,761	Capacity of Solar PV Systems to be Installed (RE projects)	1,684 kW
Loans in Repayment	21	Tons of Air Emissions Avoided (metric tons) from Loans in Repayment	1,516
Value of Loans in Repayment	\$8,113,631	FY 20 Program Budget	\$9,000,000
Annual Energy Savings of Loans in Repayment EE+RE)	\$253,732		

WILMINGTON HOUSING AUTHORITY



“The poor are often left out of the renewable energy revolution. We owe a deep thanks to Energize Delaware for making a low-interest loan available for the 2 MW solar field in South Bridge that is currently providing a significant amount of the power consumed by the Wilmington Housing Authority. This project would not have been accomplished without their help. Additionally, the savings of almost \$2 million, over the life of the project, can now be used to take care of deferred maintenance in tenants’ units and on the buildings in which they live. This system now becomes the second largest renewable energy project for public housing authorities in the United States .”

— Ken Becker, Partner, Ecogy Delaware II, L.L.C.

ENERGY SAVINGS PERFORMANCE CONTRACTING

Energize Delaware has the authority to issue tax-exempt energy efficiency bonds or low-interest loans to finance Energy Savings Performance Contracts (ESPC). Available to state agencies and school districts, ESPC’s use utility cost savings to finance construction through pre-qualified Energy Services Companies (ESCO) that offer guaranteed energy savings.



In February 2019, bond financing was finalized for the Delaware Department of Health and Social Services, Indian River School District and Colonial School District projects. Project costs for the three agencies totaled \$19,091,952. The Bond received an AA+ Bond Rating from Standard and Poor’s. The funds are being used to pay for energy efficient lighting, heating and air conditioning, and smart controls among other efficiency measures. All three agencies used bridge loans directly from Energize Delaware to allow construction work to proceed. Through the design and construction period Energize Delaware provided technical support to the agencies by paying for engineering firms to act as independent owner’s representatives.

2019 Contracted State Agencies & School Districts		3	Guaranteed Average Annual Energy Savings		\$1,670,968	
True Interest Cost (TIC).....		3.22%	Guaranteed Average Lifetime Energy Savings		\$33,419,360	
Bond (Loan) Term.....		20	Tons of Air Emissions Avoided (metric tons)			8,475
Total Loan Amount		\$19,091,952				

JOB CREATION



“The Energize Delaware Job Tracking System collects job reports for each of the three performance contracts. In total, 46,162 job hours were reported, the equivalent of 22 fulltime jobs for one year. The construction sector accounted for 64% of those jobs, while project management workers made up 29% of the total. This is a very unique job tracking system, the first in the nation and is being promoted by the National Energy Services Coalition.”

— Tony DePrima, Ph.D., Executive Director, Energize Delaware

ENERGY EFFICIENCY INVESTMENT FUND FOR NON-PROFITS



American Legion Walter L. Fox Post No. 2
Dover, Delaware

Administered by DNREC’s Division of Climate, Coastal & Energy, the Energy Efficiency Investment Fund (EEIF) provides grants to Delaware businesses, local governments, and non-profits to help replace aging, inefficient equipment and systems with energy efficient alternatives.

Energize Delaware provides funds to expand the program to cover non-profit organizations, as well as local governments that were previously excluded.

Prescriptive grants are available for high efficiency natural gas heating and water heating equipment, energy efficient lighting and lighting control improvements, vending machine improvements, and more. The program also offers incentives for energy assessments, as well as custom incentives for unique energy efficiency projects that do not qualify for a prescriptive grant.

2019 Participating Non-profits	4	Lifetime Energy Savings	\$619,880
Rebates/Incentives Awarded	\$33,200	Tons of Air Emissions Avoided (metric tons)	435
Annual Energy Savings	\$30,994	FY 20 Program Budget	\$200,000

AMERICAN LEGION WALTER L. FOX POST NO. 2



“Working with Energize Delaware was one of the best things to happen to the American Legion Walter L. Fox Post No. 2. Before our project began, our members and guests were faced with uncomfortable conditions due to an old, unreliable heating and cooling system. After the installation of the high efficiency mini-split units, the comfort level was greatly improved! The new equipment actually reduced our heating and cooling costs--and it is providing greater comfort for all who attend our community and member events. As a nonprofit organization, we are extremely grateful for the opportunity to take advantage of this beneficial program and receive the rebate funding provided by Energize Delaware.”

— Mike Windows , Immediate Past Post Commander,
American Legion Walter L. Fox Post No. 2

PATHWAYS TO GREEN SCHOOLS



W. Reily Brown Elementary
Eco Team Students
Caesar Rodney School District

The Pathways to Green School Program continues to assist schools to become energy efficient by providing mini grants for student eco-action and green team projects, free energy audits and assistance with energy benchmarking in ENERGY STAR® Portfolio Manager. This program is administered by Green Building United, one of our program partners.

Practical Energy Solutions provides participating schools with energy audits that include student participation and collaboration with teachers on energy curriculum.

Energize Delaware helps get the green teams at the schools off the ground and helps them grow their sustainability initiatives. However, the leadership of the teachers, students, and administrators is what keeps the momentum going to bring about positive change.

In 2019, Odyssey Charter School was given a Green Flag Award from the National Wildlife Association. The Jefferson School and the Caesar Rodney School District were presented with U.S. Department of Education Green Ribbon Awards.

Participating Schools (cumulative since start of program).....	44	Schools Receiving Awards	9
Schools Enrolled in Portfolio Manager (cumulative).....	30	Annual Energy Savings Found	\$113,930
School Audits Complete	5	Lifetime Energy Savings Found	\$2,278,600
		Tons of Air Emissions Avoidance Found (metric tons)	961
		FY 20 Program Budget	\$115,000

CHRIST THE TEACHER CATHOLIC SCHOOL



“Christ the Teacher Catholic School has been very impressed with the Delaware Pathways to Green Schools Program. The enthusiasm from the Green Building United staff, for helping students and schools aiming to “go green” has been incredible. So far, I have been able to take part in the 2019 Fall Workshop and the on-site energy audit by Practical Energy Solutions. I look forward to implementing energy-efficient changes that the Pathways program has identified as beneficial to our school and the environment. The communication and opportunities to participate in learning sessions have been top-notch, and I recommend the Pathways to Green Schools Program to any school committed to environmental awareness.”

– Colleen Naccarato, Advancement Director, Christ the Teacher Catholic School

FAITH EFFICIENCIES

The Faith Efficiencies Program provides a wide range of energy resources, including energy audits, remediation strategies, funding options and ongoing cost-saving energy education to faith communities throughout Delaware.



International Student Outreach Program (ISOP) participants; Epworth United Methodist Church Rehoboth, Delaware

The program, implemented by Delaware Interfaith Power and Light (DelIPL), also serves the members of participating faith communities by offering Home Performance with ENERGY STAR® workshops and establishing Earth Care Displays to provide further energy education and resources. DelIPL’s mission is to rally faith communities to address causes and impacts of climate change by empowering them to adopt creative, effective and affordable energy conservation, energy efficiency and renewable energy strategies.

In 2019, Energize Delaware launched the Climate Conversations initiative to foster opportunities to encourage open and respectful dialog among diverse audiences about climate change, related issues and identify areas of shared concern. This initiative aims to create environments where people will feel encouraged and empowered to discuss issues related to climate change.

Windows of Hope, an interior storm window construction, installation and education program continues to be partially funded by Energize Delaware through the Faith Efficiencies program. The interior storm windows are easy and inexpensive to make and reduce energy loss by as much as 10-20% per window.

2019 Program Participants		3	Tons of Air Emissions Avoidance Found	
Annual Energy Savings Found		\$5,838	(metric tons)	
Lifetime Energy Savings Found		\$116,762	FY 20 Program Budget	
			\$55,000	

ST. THOMAS EPISCOPAL CHURCH



“St. Thomas has had an energy assessment, hosted an Earth Care display, and a Home Performance presentation, as well as, a Climate Conversation. All which were supported by Delaware Interfaith Power & Light and Energize Delaware. It was enlightening to walk around the building during the energy assessment with energy saving in mind. We found many improvements that needed to be made as well as finding obvious opportunities for reducing energy use. The church Property Committee is looking forward to using the results of the assessment as a way to prioritize project recommendations. There are many different opinions on where we should deploy funds and having the assessment results will help us focus our efforts in an efficient manner.”

- Amy Keach, Treasurer, St. Thomas Episcopal Church

FARM PROGRAM



Hill Farms
Milford, Delaware

The Energize Delaware Farm Program provides a comprehensive approach to help Delaware’s farmers reduce their energy costs through energy efficiency improvements and renewable energy.

EnSave, our program partner, works with the farmer to create a customized road map for installing energy efficiency improvements on the farm.

Grants for energy efficient equipment, energy assessments, low-interest loans, and guidance for accessing other state and federal programs for energy efficiency and renewable energy projects are among the offerings to farmers through this program.

Participating Farms in 2019	43	Annual Energy Savings	
Audits Completed.....	23	Implemented/Installed	\$193,290
Technical Assistance Reports	20	Lifetime Energy Savings	
Annual Energy Savings Found	\$130,068	Implemented/Installed	\$2,601,360
Lifetime Energy Savings Found	\$2,601,360	Tons of Air Emissions	
Tons of Emissions Avoided Identified	896	Avoided/Installed (Metric Tons).....	908
Rebates/Incentives Awarded	\$764,681	FY 20 Program Budget	
		(not including loans)	\$577,500

REM FARMS, LLC



“We financed our solar project and energy efficiency improvements through the Energize Delaware Farm Program. Our operation was approved for over \$42,000 in incentives, and we received a loan for over \$750,000 that combined our efficiency projects with the solar system financing to save us even more money. If you want to improve your operation, make a positive impact on the environment, and save on your energy expenses work with the Energize Delaware Farm Program. At times, the application process was complicated, and they helped us navigate through the various steps successfully. They will help you get the money you are eligible for, and are always there when you have questions.”

— Rick & Ed Moore, REM Farms, LLC, Laurel, Delaware

LIGHTS ON DELAWARE STRONG



The HELP Initiative team working to install lighting in Wilmington.

The Energize Delaware Lights On Program was expanded to a statewide program in 2019. The goal of the Lights On Delaware Strong Program is to increase neighborhood safety in participating communities by improving exterior lighting. This program first launched in Dover in 2017 and was expanded to Seaford in 2018.

Our partner, The HELP Initiative, Inc., identifies neighborhoods that are experiencing high levels of crime, then program representatives go door-to-door to improve the exterior lighting, identify health and safety risks, and provide education to residents. The program is currently targeting Downtown Development District communities to deliver this program. Local governments and police agencies are supporting and encouraging this effort in their communities.

During the home visits and door-to-door canvassing, exterior lights are replaced with “dusk till dawn” LED bulbs that turn on and off automatically based on the amount of daylight. Some properties also receive solar powered motion sensor lighting for the rear of the properties. In addition, the program is installing solar lighting at vacant properties in an effort to reduce crime. Since 2017, more than 1,870 residents have participated in the program.

2019 Participants - Homes Served	1,331	Towns/Cities Served in 2019	4
New LED Lights Installed	306	Annual Energy Saved	62.557 kW
		FY 20 Program Budget	\$295,000

ELIZABETH LOCKMAN, STATE SENATOR



“What a pleasure to spend a cold day in early winter with the Lights On - Wilmington Strong team!! It’s always meaningful to knock on doors and meet neighbors, but during this darkest time of year, it felt extra meaningful to do this with such a wonderful project. Folks on the West Side are understandably very receptive and enthusiastic about this project which will not only save energy, but brighten our streets and sense of ourselves as a strong community. I look forward to doing more of this in Wilmington, across the seasons!”

— Elizabeth “Tizzy” Lockman, State Senator, District 3

RESIDENTIAL SOLAR LOAN

The Energize Delaware Residential Solar Loan Program offers low-interest loans designed to encourage the purchase of solar systems for residential homes in Delaware.



Solar Panels on the home of David & Diana Guinnup Bear, Delaware

The installation of these customer sited and owned systems will result in customer utility bill savings, reduction in the environmental impact of energy production, delivery, and use, and will promote local job growth in the solar installation industry.

Loans range from \$3,000 to \$30,000 with a fixed rate of 3.9% and a term of up to 10 years. Loans are available for up to 70% of the total project cost.

Energize Delaware partners with InClime Solutions to service the residential solar loans and the residential energy efficiency loans offered to eligible participants in the Home Performance with ENERGY STAR® Program.

2019 Applications Received	90	Annual kWh Production (closed loans).....	855,452
Value of New Loan Applications	\$1,434,417	Capacity of Solar Systems kW (closed loans)	635
Loans Closed	59	Tons of Air Emissions Avoided (metric tons)	447
Value of Closed/Completed Loans	\$900,493	FY 20 Program Budget	\$1,700,000
Annual Energy Savings	\$118,822		

DAVID & DIANA GUINNUP



“For a number of years, we had wanted to install a photovoltaic solar system on our home to reduce our carbon footprint and electricity bill. After doing some research, and listening to the advice of a number of installers, we decided to purchase a system with an Energize Delaware loan. This arrangement allowed us to take advantage of available tax benefits and incentives, while receiving a very low-interest rate on the loan. Our contractor, KW Solar Solutions, Inc., explained everything clearly and handled all the paperwork. The staff of KW Solar and Energize Delaware made the process go very smoothly. With the system operating, our utility bill is now much less, and we believe we have made the right decision for both the environment and our pocketbook.”

— David and Diana Guinnup, Homeowners

HOME ENERGY COUNSELING & CHECK-UP (HEC²)



Home Energy Counseling
Weatherization Workshop Kit

Energize Delaware launched the Home Energy Counseling and Check-Up (HEC²) Program in early 2019. This Program seeks to empower Delaware’s economically vulnerable populations by providing access to high quality energy efficiency education, products and services.

This Program has a multi-pathway approach to engage organizations by cultivating partnerships in the community, offering tailored energy workshops, “Pop-Up” energy counseling centers and providing in-home energy counseling and energy check-ups. An energy advisor will come to the home and check the condition of insulation, heating and air-cooling systems, lighting, appliances and identify simple ways to help the residents save energy and money. The energy advisor may also install FREE energy saving products such as LED light bulbs, faucet aerators, efficient-flow shower heads and water heater pipe insulation during the home visit.

2019 Home Check-Ups Completed	165	Lifetime Energy Savings	\$275,126
Annual Energy Savings	\$13,756	Tons of Air Emissions Avoided (metric tons)	53
		FY 20 Program Budget	\$470,000

EVELYN & JAMES WILSON



“During a “Rock the Block Day” community event in Bridgeville, Energize Delaware staff recruited several families from the Coverdale Crossroads neighborhood for the Home Energy Counseling & Check-Up Program. As one of the residents to take advantage of HEC², we can say that everyone is very knowledgeable of the program. My appointment was kept and completed in a timely manner, and the representative explained everything in detail. It was a blessing to receive free installed energy saving products..”

— Evelyn and James Wilson, Homeowners

PROGRAM RESULTS

Energy Savings Data from Completed Projects

Program	Energy Savings Annual	Energy Savings Lifetime	Gross Energy Savings (MMBTU) Annual	Gross Energy Savings (MMBTU) Lifetime	Annual Emissions Avoided* Metric Tons
Home Performance—Jobs	\$158,981	\$3,179,620	9,514	190,276	594
Home Performance—Audits—DIMs	\$95,717	\$1,914,340	987	19,740	365
Home Energy Counseling & Check-Up	\$13,756	\$275,120	45	900	52
Revolving Loan	\$253,732	\$5,074,640	6,632	132,642	1,516
Energy Performance Contracting	\$1,670,968	\$33,419,360	8,868	177,360	8,475
EEIF for Non-profits	\$30,994	\$619,879	5,384	107,680	435
Farm Program	\$41,433	\$828,660	1,890	37,800	166
Residential Solar Loan	\$118,822	\$2,376,446	2,918	58,360	447
Total Savings	\$2,384,403	\$47,688,065	36,238	724,758	12,050

Potential Savings Found Through Energy Audits

Program	Potential Energy Savings (\$) Annual	Potential Energy Savings (\$) Lifetime	Potential Gross Energy Savings (MMBTU) Annual	Potential Gross Energy Savings (MMBTU) Lifetime	Potential Annual Emissions Avoided* Metric Tons
Energy Audits for Non-profits	\$189,451	\$3,789,020	10,515	210,300	964
Pathway to Green Schools	\$113,930	\$2,278,600	10,773	215,460	961
Faith Efficiencies	\$5,838	\$116,762	255	5,090	17
Farm Program	\$130,068	\$2,601,360	12,956	259,118	896
Affordable Multifamily Program	\$136,800	\$2,736,000	3,836	76,720	809
Total Potential Savings	\$576,087	\$11,521,742	38,334	766,688	3,646

*The emissions avoided include CO₂, SO₂ and NO_x emissions. DIM—Direct Install Measures

LOOKING FORWARD

A number of new programs and initiatives are planned for 2020:

DELAWARE PROPERTY ASSESSED CLEAN ENERGY

(D-PACE)—D-PACE is the Property Assessed Clean Energy Program for commercial buildings that enables building owners to seek private sector financing for clean energy and energy efficiency projects through a voluntary property assessment. In 2019 New Castle County became the first county in the State to reach agreement to establish D-PACE. We are moving toward having Kent and Sussex counties join the effort in 2020.

EMPOWERMENT GRANT—Energize Delaware will distribute \$4 million in grant funds competitively to organizations capable of delivering energy efficiency programs to low-income customers of Delmarva Power over a three-year period. Two distinct offerings will be funded; Large-Scale efficiency grants and Community-Scale efficiency grants.

BUILDING BENCHMARKING PILOT PROGRAM — This pilot program will provide benchmarking support for five to ten commercial property owners to demonstrate leadership in energy efficiency and climate action. Buildings account for 40% of global greenhouse gas emissions and represent a major opportunity for energy use and cost savings. The goal of the pilot will be to connect properties with Energize Delaware's commercial programs – D-PACE and the Low-Interest Commercial Loan Program – thereby working to to save tenants and owners money, improve energy efficiency, and reduce greenhouse gas emissions.



BOND REFUNDING— In late 2019, Energize Delaware discovered that bond market conditions were ideal for refinancing our 2011 Bond Issue as taxable bonds. In 2020, we plan to complete the refinancing of \$55 million with new taxable bonds at a lower interest rate which will save the State of Delaware between \$3.5 and \$4.5 million over the life of the new bonds. This is an excellent example of Energize Delaware carefully exercising its fiduciary responsibilities.

STRATEGIC PLAN— In 2015, Energize Delaware adopted its first strategic plan and has been carefully using it as a road map for growing the organization and ensuring that it meets its mission. It is now time for Energize Delaware to think about the future and determine where the organization goes in the next five years. We plan to have a new Strategic Plan completed in 2020.

ENERGY EFFICIENCY TAX-EXEMPT MASTER LEASING—

Master leasing is used around the country to finance energy efficiency measures in public buildings, where agencies pay for “assets” through lease payments. A “master lease” occurs when a central authority, like Energize Delaware, enters into a multiple-year agreement with a financier to offer tax-exempt leases to selected agencies under the Master Lease term. In late 2019, the Banc of America Public Capital Corp was selected as Master Lease financier. In 2020, we plan to finalized lease documents and fund our first projects.

Empowerment Grant Program Kick-Off Event



DELAWARE SUSTAINABLE ENERGY UTILITY FINANCIAL STATEMENTS

Below are comprehensive financial statements excerpted from DESEU's Fiscal Year 2019 (July 1, 2018–June 30, 2019) audit, performed by the accounting firm of Whisman, Giordano & Associates LLC, Certified Public Accountants, Newark, Delaware. Complete audited statements are available upon request.

BALANCE SHEET AS OF JUNE 30, 2019

Assets

Cash and Cash Equivalents	\$7,924,983
Investments	\$10,725,331
Other Current Assets	\$6,724,414
Program Receivables (Bonds)	\$74,570,812
Net Program Loans Receivables	\$27,148,864
Net Fixed Assets	\$163,855
Limited-Use Assets Held by Trustee	\$4,231,696

Total Assets	\$131,489,955
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Liabilities and Net Assets

Accounts Payable	\$4,721,023
Bonds Payable	\$69,687,200
Net Assets	\$57,081,732

Total Liabilities and Net Assets	\$131,489,955
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STATEMENT OF REVENUE AND EXPENSES AS OF JUNE 30, 2019

Revenue

Program Service Revenue	\$5,935,235
State of Delaware Contract - RGGI	\$11,508,181
Other Income	\$1,260,099

Total Revenue	\$18,703,515
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Expenses

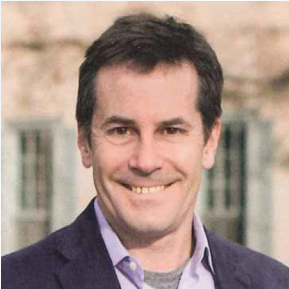
Program Activities	\$12,360,001
Support Services	\$612,517

Total Expenses	\$12,972,518
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Change in Net Assets	\$5,730,997
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OVERSIGHT BOARD AND STAFF

Oversight Board



Richard I.G. Jones Jr.
Vice Chairman
Board Member



Kristopher E. Knight
Treasurer/Secretary
Deputy Secretary of State



Andrew Slater
Delaware Public Advocate



Shawn M. Garvin
Secretary, Delaware Department
of Natural Resources and
Environmental Control



W. Charles Paradee III
Delaware State Senator



Dayna Cobb
Director, DNREC Division of Climate,
Coastal, & Energy



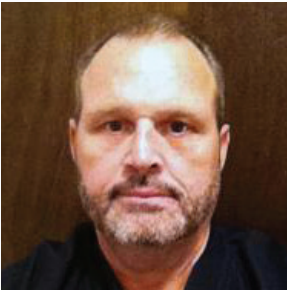
Harris B. McDowell III
Chairman and Co-Founder
Delaware State Senator



Michael J. Chajes, Ph.D.
Professor, Department of Civil
and Environmental Engineering,
University of Delaware



Sean Finnigan
Chief of Staff, Delaware House of
Representatives



Joseph Schorah
Board Member



Dr. John Byrne
Honorary Member & Co-Founder
Director, UD Center for Energy and
Environmental Policy



Robert Underwood
Energy Administrator, DNREC
Division of Climate, Coastal & Energy



Frank Murphy
General Counsel

Staff



Anthony J. DePrima, Ph.D.
Executive Director



Suzanne Sebastian
Program Manager



Lisa Gardner
Office Manager



Athena Bi
Associate Program Manager



Mike Williams
Communications Manager



Jim Purcell
Empowerment Grant Manager



Kassandra Rodriguez
Energize Delaware Intern



TAKING CHARGE TOGETHER.™

Energize Delaware programs would not be possible without the work of our program partners!

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