

Minutes

Delaware Sustainable Energy Utility

Oversight Board Meeting – Zoom

January 20, 2023- 9:00 A.M

<https://us02web.zoom.us/j/83688733805?pwd=Y0dpRjhETE55VG5TTXovOWJZa0c5QT09>

Welcome

Senator Harris B. McDowell, III called the meeting to order at 9:00am. Members present were Senator McDowell, Senator Stephanie Hansen, Andrew Slater – Public Advocate, Sean Finnigan, Ric Moore, Tom Noyles – Proxy for Robert Underwood, Riche Jones, and Kristopher Knight. Also present were Anthony DePrima, Frank Murphy- General Council, Suzanne Sebastian, Jim Purcell, Cassandra Rodriguez, Traci Evans, Keith Modzelewski, Robin Coventry, Athena Bi, and Fritz Rodriguez.

1. **Approval of Minutes** – November 17,2022 Oversight Board Meeting

Senator McDowell called for a motion to approve the minutes for the November 17th, 2022 Board Meeting Minutes. Ric Moore made the motion to approve the minutes, Andrew Slater seconded the motion, the motion passed unanimously.

2. **SEU Business**

- a. **Search Committee Update** – Senator McDowell stated that the Search Committee update has been deferred to the end of the meeting and will be discussed in an executive session, Frank Murphy will be providing the updates.
- b. **Financial Auditors Report** - Frank DeFroda of Whiseman Giordano, reviewed the report for Sustainable Energy Utility's 2021/2022 audit. Mr. DeFroda stated that new standards were released, and the mission is for more transparency when an audit is conducted. Mr. DeFroda said that the audit was led in accordance with auditing standards generally accepted in the United States of America (GAAS). Responsibilities of Management for the Financial Statements were listed, along with the Auditor's Responsibilities for the Audit of the Financial Statements. Mr. DeFroda stated that Sustainable Energy Utility provided all the necessary documents and statements requested in a timely manner, and based on the findings, the audit was successful and no recommendations were required.

Senator McDowell called for a motion to adopt the 2021-2022 Whisman & Giordano Audit Report. Ric Moore made the motion to accept the Audit Report, Andrew Slater seconded the motion, and the motion passed unanimously.

- c. **Budget Revisions - General Budget** – Tony DePrima presented the Budget Memo that is traditionally reviewed every January. Mr. DePrima stated that the final audited balance is \$37,366,886.00, this figure is \$1.7 million more than projected principally due to receiving higher loan interest payments and principal repayments than expected. Mr. DePrima mentioned that \$309,000.00 was added into the budget because of the unexpected sale of vintage SRECS to the

City of Dover. Mr. DePrima continued to itemize and note various expenses associated with the administrative budget. Suzanne Sebastian reviewed the Program Budget and also itemized changes and expenses associated with said budget.

Senator Stephanie Hansen asked what precipitated the sale of the vintage SRECS. Mr. DePrima responded that municipal governments are required to show equivalency with the RPS. The City of Dover had planned on funding and financing their own solar that they were hoping to collect their SRECs from. That plan never materialized, for that reason the City of Dover was in search of SRECS that can be claimed toward their RPS equivalency report. Tom Noyles said that the City of Dover has left DEMAC and is now operating on its own. Mr. Noyles said that the City of Dover plans to use energy and SRECS from a project called Raceway Solar in Harrington, DE. The execution of that plan is behind schedule. Mr. Noyles stated that the City of Dover reached out to DNREC for guidance on how to meet their RPS Equivalency requirements, DNREC suggested to the City of Dover to purchase SRECs from SEU.

Senator Stephanie Hansen also had questions regarding,

d. Consideration of Statements -

- i. Young Conaway Stargate & Taylor, LLP
- ii. Murphy & Landon
- iii. NW Financial Group, LLC

2. Reports – The following reports were reported to the board:

- a. Executive Director
- b. Program Activity
- c. Empowerment & Energy Equity Fund
- d. Communications and Marketing Activity
- e. Budget Report
 - i. General
 - ii. Empowerment Program

4. New/Old Business

Public Comment

Adjourn

Agenda is subject to change. During the course of the public meeting, the Board may vote on whether to conduct an executive session to consider confidential and proprietary business before the Board, and such executive session will not be open to the public, pursuant to 29 Delaware Code § 1004. The executive session may address matters involving the discussion of the content of documents excluded from the definition of “public record,” or which involve the potential for litigation. Participation by teleconference will be available to Board members.