



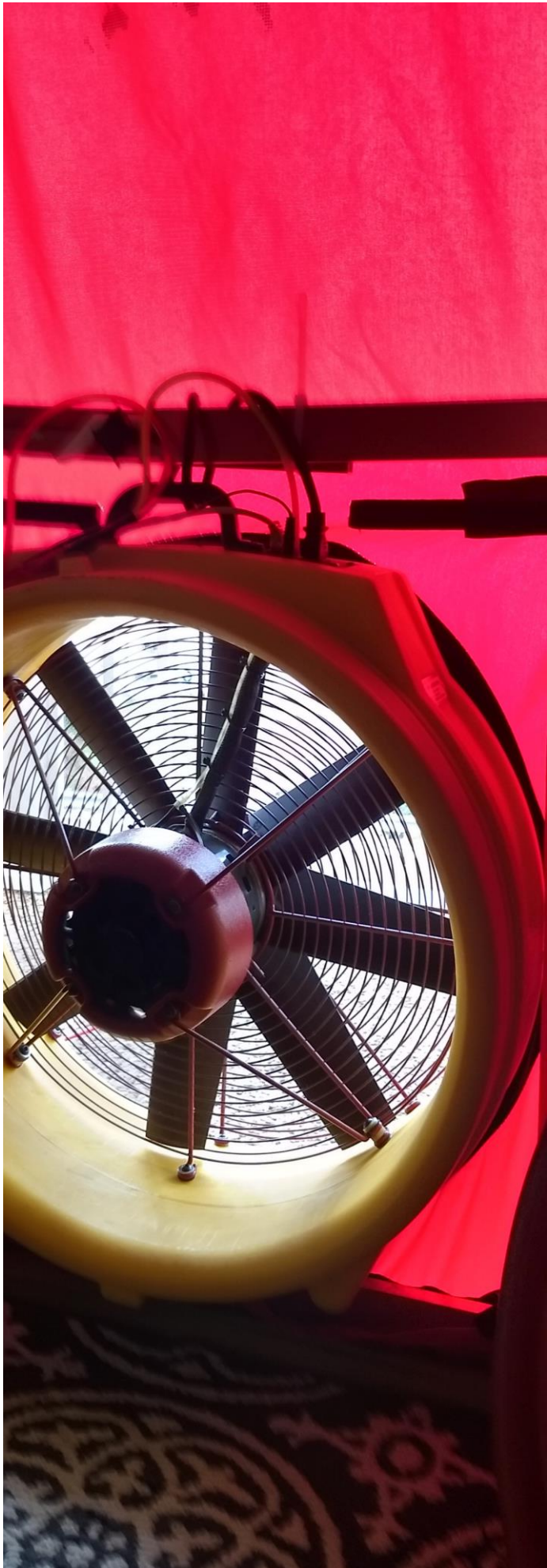
**ENERGIZE**  
**DELAWARE**<sup>®</sup>  
SUSTAINABLE ENERGY UTILITY

# BUSINESS PLAN

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**2023 – 2028**

***Strategy***



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## **THE DESEU OVERSIGHT BOARD**

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John Byrne – Honorary Board Member and Co-Founder

Executive Director:

Drew Slater – Ex. Officio

Plan Presented to the Board:

September 21, 2023

## ABOUT ENERGIZE DELAWARE

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The Delaware Sustainable Energy Utility (DESEU) is a unique nonprofit organization acting as a one-stop resource to help residents and businesses save money through clean energy and energy efficiency. We offer many sustainable energy solutions—frequently at little or no cost.

The DESEU was created in 2007 by the state of Delaware to foster a sustainable energy future. Our DESEU model is the first of its kind in the United States. The DESEU is governed by the DESEU Oversight Board that serves as its Board of Directors.

In 2019, after going through a comprehensive rebranding initiative, it was decided that our efforts will be branded under the “Energize Delaware” banner. In this document we will use Energize Delaware except when referring to our Oversight Board, Legislation, and Corporate Identity.

## INTRODUCTION

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The five-year strategic business plan provides a vision for the organization and gives the public an understanding of Energize Delaware priorities. The plan is composed of mission, vision, and values statements along with seven strategic initiatives. Three committees developed the strategic plan: The DESEU Oversight Board subcommittee who reviewed the mission, vision, and values statements; A Citizen Advisory Committee who aligned priorities and identified programming gaps; and a Technical Committee composed of program administrators advising on the mission and vision influencing the eventual strategic business plan.

### Mission

Inspiring sustainable energy solutions for a thriving environment and economy

### Vision

Powering tomorrow with clean, efficient, and affordable energy

### Values

#### **Organizational Values**

Innovative

Nimble

Results Oriented

Collaborative

Transparent

Accountable

Mission Focused

#### **Program Values**

Community Oriented

Effective

Socially Equitable

Environmentally Sustainable

Economically Feasible

Customer Friendly

A Pleasure to Use

### Strategic Initiatives:

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# Energize Delaware

## *Business Plan*

### 1. Emissions Reduction

- Energize Delaware will work to reduce and eliminate greenhouse gases by natural and technological means, carbon-free production, and renewable sources, to avoid or capture emissions.

### 2. Energy Equity

- All Energize Delaware programs will place a high priority on assisting Delawareans who have the greatest energy burden and risk of environmental harm.

### 3. Direct Efficiency

- Energize Delaware will continue its cornerstone activities, fostering end-use energy efficiency across all sectors and fuels and expanding into new and underserved markets.

### 4. Economic Activity

- Energize Delaware will support the Delaware economy promoting green asset ownership, saving Delawarean's money on their energy costs, funding green job training, and opening green investment opportunities.

### 5. Natural Climate Solutions and Conservation

- Energize Delaware will seek out and promote programs that use nature-based carbon sequestration and sustainable land use in support of a healthy environment.

### 6. Changing Behavior Through Awareness

- Energize Delaware will employ effective social marketing to inform, educate, and change energy end-use behaviors that eliminate carbon and other emissions as quickly as possible.

### 7. Advancing Technology

- Energize Delaware will champion proven and promising new technologies and innovative solutions, and support research, development, and deployment that enhances the use of renewable energy, energy efficiency, and conservation minimizing natural resource depletion.

## Strategic Activities

- **Optimize a website known to all in Delaware**, easy to navigate, satisfying inquiries, delivering solutions, and measurably changing behaviors to reduce pollution toward net-zero by 2050
- **Create community partnerships** that engage households, businesses, governments and all tiers of education in whole system sustainable energy solutions, reducing pollution toward net-zero by 2050
- **Develop and conduct social marketing campaigns** targeting sectors by energy emissions reduction returns-on-effort to achieve net-zero pollution by 2050
- **Fund technology innovation** to support and accelerate new sustainable energy solutions with the proposed impact of achieving net-zero pollution by 2050
- **Provide financial innovation** to develop, promote, attract and accelerate broad public investment to increase awareness, funding, and success of all sustainable energy ventures and their social equity
- **Establish a logistics and supply network** of systems, partners, processes, products, training, finance, etc., to assure ongoing state-wide support for sustainable energy solutions
- **Improve public engagement and communications** to better understand and participate in the Energize Delaware mission, opportunities, and activities
- **Review and refine the responsibilities, functions, and role of the DESEU Oversight Board** to fit the changes in conditions and challenges ahead

# 1. EXECUTIVE SUMMARY

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With a new Executive Director coming onboard, the Board provided time to develop their vision for the 2023-2028 Energize Delaware Business Plan. After reviewing the strategic plan and utilizing the experience of the three committees, the staff began formulating the business plan.

To begin, we reviewed each of the current programs, their description, alignment with the strategic initiatives, challenges, future evolution, and baseline measurement of success.

Through this thorough process, it was determined some programs could be merged to avoid confusion, reduce duplication, and provide an opportunity for redesign to meet the Board's strategic initiatives.

The following sections provide a list of programs, goals and future evolution of those programs, marketing, EM&V, R&D, and governance goals.

In addition, there has never been a time when more federal funding for clean energy and energy efficiency has been available. As we have seen with many of our programs, their design, and potential redesign, hinges in part on understanding federal funding guidance and program requirements.

Finally, we reviewed the strategic activities, state plans and goals, and future opportunities to power tomorrow with clean, efficient, and affordable energy.

As we begin implementation of the business plan, it's important to understand the measurements used for success will be the benchmark from program year 2022 as outlined in the Energize Delaware 2022 Annual Report. Those include emissions reductions, loan applications, audits completed, and other measurements of success.

It is the goal of Energize Delaware to increase program measurements by at least five percent per year to support the state's emissions reduction goals and achieve net zero in advance of 2050.



## 2. BACKGROUND

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### ***The 2015 Strategic Plan – Progress Made***

The DESEU Oversight Board adopted its first 5-year strategic plan on Jan. 15<sup>th</sup>, 2015. The effort began in December 2013 starting with internal and external reviews with staff, board members and various stakeholders using the SWOT (Strength, Weaknesses, Opportunities and Threats) method. Two highly publicized public visioning sessions were held. Staff and Oversight Board members reviewed and provided feedback on the information and ideas generated throughout the process. The planning team developed a set of values based on the comments received and worked collectively to update the Mission and Vision statements.

The final plan adopted five overarching strategic initiatives that focused on outward looking programmatic goals, and inward-looking goals related to how the organization works. Overall, there were 30 goals listed in the strategic plan.

### ***Developing the 2023 Strategic Plan***

In 2019, the Energize Delaware staff began the process of reviewing the 2015 Strategic Plan noting completed recommendations, what was not completed, what was outdated, and finally what should be updated. Unfortunately, the effort was soon delayed due to the COVID 19 State of Emergency that was declared in March 2020.

In early 2021 efforts were renewed. The DESEU Oversight Board created three committees to assist in the new Strategic Plan. First, a Board Subcommittee was created to oversee the overall effort. Next an Ad hoc Citizen's Advisory Committee was formed from interested volunteers. Finally, the staff formed a Technical Advisory Committee made up of Energize Delaware program implementors, and other related energy professionals.

Working throughout 2021, the Board Advisory Committee along with the Ad Hoc Citizen Committee worked on reviewing and revising the Mission, Vision, and Value Statements with an explicit intent to create meaningful and memorable statements. In addition, seven strategic initiatives with goals and success measures were developed. Meanwhile the Technical Advisory committee worked on making suggestions for program improvements and possible new programs.

In early 2022, the Oversight Board adopted the work of the committees and directed staff to develop a companion Strategic Business Plan that would provide more specific action and direction over the next five years.

### 3. BUSINESS PLAN

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To begin the formation of an updated business plan, staff evaluated current programs, their alignment with strategic initiatives, challenges, and future evolution.

Many of Energize Delaware's programs are exceeding expectations and typically meet at least three strategic initiatives on average. As we reviewed current programs, the future evolution of those programs focused on minimizing duplication, increasing market awareness, adding community ambassadors, and applying additional strategic initiatives.

#### Programs

To an extent, program partners may not fully understand all Energize Delaware programs. This could create duplication, increase overhead, and reduce programmatic effectiveness. **Goal:** It is our plan of action to convene our program partners at least annually to provide education, dialogue, and collaboration on Energize Delaware programs.

The **Energy Assessments Program** has been tremendously successful and is a great workforce development tool where students can perform audits under the direction of their professor. One challenge has been the oversubscription of this program and the limited program partners with other colleges. **Goals: 1.** It is the goal to increase program partners to further include Delaware Technical and Community College and Delaware State University. **2.** Design a program so our colleges can prepare students for future workforce opportunities in clean and green energy.

The **Faith Efficiencies Program** provides a unique opportunity to engage with faith communities to identify potential energy savings opportunities. **Goal:** Faith Efficiencies transitions to community ambassadors providing education on current programs, working with our Energy Assessments program, and technical assistance in future grant and loan opportunities.

The **ZeMod Program** has provided down payment assistance and solar incentives for zero energy homes for low-income clients. As we see updated building codes and state law requirements of net zero ready homes by 2025, this program may transition to provide technical assistance and/or incentives for above code residential new construction. **Goal:** This program should evolve into other considerations, such as passive houses, climate smart homes, and other high efficiency opportunities.

The **Farm Program** holds tremendous potential and is the only program that aligns with every strategic initiative. Awareness of this program has been a challenge due to the lack of local representation from our program implementor as well as a program design that competed with USDA NRCS grants vs. leveraging those resources. **Goal:** Partner with local representatives

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to build a more robust, sustainable farm program in Delaware. This includes partnerships with USDA, the Delaware Department of Agriculture, Farm Bureau, and our state's universities.

The **Home Energy Counseling & Checkup (HEC2) Program** provides a light audit, direct install measures, and counseling to low-income customers. The HEC2 program is challenged with staffing and retention of trained partners. **Goal:** Build HEC2 into community ambassadors to grow partners and provide social marketing and program opportunities in disadvantaged and underserved communities.

The **Lights On Program** began as a pilot in high crime areas to provide outdoor lights, customer education, and referrals. The program needs to transition to avoid confusion and duplication, **Goal:** Lights On will be rolled into HEC2, which provides a light audit, direct install measures such as outdoor dusk to dawn lights, and customer education and referrals. HEC2 is a beacon for social marketing through community engagement.

The **C-PACE Program** has taken off over the last two years providing commercial financing through annual county property assessments. However, projects typically have a high capital floor of at least \$1 million. **Goals:** **1.** Become a lender for small business projects under C-PACE floor. **2.** Consider expanding the loan amount beyond the 20% current cap.

The **Pre-Weatherization Program** doubled the goal of homes served in FY23. In relation to the increase, the budget likewise increased and became one of our largest programs. While a majority of weatherization clients need Pre-WAP services, Energize Delaware does not receive energy savings in this program. Instead, those savings are captured in the weatherization program. **Goals:** **1.** Coordinate with partners to identify proper entry points to provide comprehensive assessments and services to clients. **2.** Improve training opportunities similar to the Home Performance Best Practice Working Group to help build dialogue and meet Goal one.

The **Pathways to Green Ribbon Schools Program** provides energy assessments and mini grants for hands-on learning. While the program has typically been in New Castle County, teachers are pulled everywhere and do not have time or resources to apply for a mini-grant or design a program. **Goal:** Reach more schools, standardize energy tracking, and provide a pathway to high school students for workforce development, education on trades, higher education opportunities and future labor needs while expanding to statewide engagement.

The **Affordable Multi-Family Housing Program** provides rebates for all types of multi-family projects, technical assistance, and financing for various stages of construction. Many projects are focused in New Castle County with long lead times before rebates are provided. **Goals:** **1.** Work with DSHA to encourage more energy efficiency through their programs while utilizing federal funding for multifamily projects. **2.** Consider market rate application for multifamily energy efficiency projects.

## Energize Delaware

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The **Home Performance Program** is the flagship program of Energize Delaware. It provides incentives for residential customers, home energy assessments, and is a feeder program for energy efficiency loans. **Goals: 1.** As the program continues to see tremendous growth, we should increase workforce training with our contractors and auditors. **2.** Monitor federal incentives to not duplicate efforts that will cause market confusion. **3.** Look for opportunities to include new rebate incentives such as appliances and EV charger installations. In some cases, such as appliances, there may be federal funding to assist with an appliance replacement program.

The **Small Business Program** will provide a light audit and prescriptive incentives for small businesses. **Goals: 1.** Provide incentives and loans for small businesses to encourage energy efficiency measures. **2.** Program could roll into Small Business C-PACE working with partners on incentives, such as EEIF and have a larger impact as community ambassadors assisting with statewide resource opportunities.

The **Commercial Loan Program** provides low-interest financing for energy efficiency and renewable energy improvements within the non-residential sector. **Goal:** Create an evergreen fund through revolving loans focusing on energy efficiency and renewable energy loans while ensuring proper sizing of renewable projects and utilization of building energy efficiency.

The **Residential Energy Efficiency and Solar Loan Programs** provide low-interest fixed rate financing options for homeowners looking to minimize out-of-pocket costs for rebate eligible measures for participants of our Home Performance program. A barrier to the energy efficiency program is not all contractors are signed up to be a financing partner. **Goals: 1.** The goal of the energy efficiency loan program is to increase participation; contractor utilization is key to achieving this measure while also noting significant competition. **2.** A goal of the solar loan program is to increase maximum loan amount from 70 percent of project cost to reduce barriers to adopting efficiency and solar.

The **Online Marketplace** provides instant rebates for home efficiency products. Areas of improvement are the general overall awareness of the program, limited product availability, and shipping costs/timing. **Goal:** To increase participation incorporate product offerings for different sectors such as small business.

The **Challenge Programs**, identified as EV's for local governments, ESCO contracts, Solar for Libraries, and Solar for Schools, provide grants to government and non-profit entities for efficiency and solar deployment. A challenge is these are grants versus loans where solar loans may not include efficiency first. **Goals: 1.** Redesign EV grants specifically for police departments and first responders. **2.** Utilize other program opportunities for ESPC Projects **3.** Redesign solar for schools towards energy efficiency.

The **Energy Efficiency Investment Fund for Non-Profits (EEIF Non-Profits)**, estimated launch October 2023, program provides incentives for non-profit organizations that do not pay

## Energize Delaware

### *Business Plan*

the public utility tax. **Goals:** **1.** Contract with technical assistance partner to implement an EEIF for Non-Profits program. **2.** Collect and track energy savings and GHG emissions reductions.

The **Empowerment Program** is being redesigned to provide offerings that utilize unique ways to deliver additional benefits to underserved and disadvantaged communities. The program could also become an incubator for new technologies. **Goal:** Change program name, website, applications, guidelines, reports, logos, and fold into an Energize Delaware program.

### Marketing

Each year we evaluate marketing strategies used to educate Delawareans to be energy efficient, use renewable energy, and share education and resources with their communities.

**Goals:** **1.** Change Behavior of energy usage through marketing strategies to reach larger audiences. **2.** Refresh the website to include an interactive assistance portal based on customer needs. **3.** Utilize short streaming videos and live format advertising. **4.** Research A.I. developments in marketing approaches. **5.** Broaden awareness and increase visualizations in the community to build identity and establish community awareness and education.

### Evaluation, Measurement and Verification

As technology has progressed, the current database utilized for EM&V requires a lot of hands-on work with limited resources. **Goal:** **1.** Improve online database for transparency, accuracy, automated reporting, utility needs, and insightful data visualization. **2.** Conduct formal program evaluations in accordance with the Energize Delaware EM&V evaluation schedule and adjust programs as necessary for evaluation recommendations. **3.** Align Key Performance Indicators (KPIs) for data collection and reporting across utility partnerships.

### Research and Development

We have an opportunity to pursue advancing technology and support innovation through enhanced R&D. **Goals:** **1.** Increase R&D budget to represent a commitment to innovation and advancing technology **2.** Support start-up incubator technology.

### Federal Funding Opportunities

Several of our existing programs could utilize federal funding opportunities to grow and better serve our customers. **Goals:** **1.** Research federal grant opportunities and collaborate with other partners. **2.** Avoid market confusion and duplication-

### Future Potential

**Goals:** Energize Delaware should shape future projects through innovative pilot opportunities such as:

- Build Stronger relationships with Delaware Partners, Collaborate on Programs, Monthly/quarterly Updates
- ‘Walk the Walk’ Build Training, and Education Center
- Develop a Commercial SREC Pre-buy Program
- Develop Community Ambassadors
- Cooling Repair Program
- Work in Downtown Development Districts
- Opportunity Zones Provide Tremendous Opportunity
- Appliance Rebates
- Hold an Annual Energy Conference on Solar & Residential Programs/Education
- Contractor Seminars for Solar & Efficiency Loan Program
- Increase HVAC Contractor Training
- Develop New Educational Materials
- Increase Green Job Training / Workforce Development Training / Pre-Apprenticeship
- Expansion Programs into Hospitality Industry
- Add Indoor Air Quality to Efficiency Measures
- Increase Multifamily into Market Rate
- Greenhouse/Vertical Farming Incentives
- Help Reduce Heat Island Effect
- Consider New and Innovative Pilot Projects and Proof of Concept Such as:
  - Electric lawn care equipment
  - Hydrogen projects
  - Microgrids
  - Energy storage
  - Street charging
  - Electric Bike Pilot
  - Agrivoltaics
  - And other new and innovative technology and ideas.

### Governance

As we continue to grow and expand sustainable solutions, we will review our organizational documents to modify and update as needed. **Goal:** Evaluate policies and guidelines bi-annually to provide modifications for the Board's consideration.

# APPENDIX

	Emissions Reduction	Direct Efficiency	Economic Activity	Natural Climate Solutions	Energy Equity	Changing Behavior Through Awareness	Advancing Technology
Energy Assessments for Non-Profits	√	√				√	
Faith Efficiencies	√					√	
ZeMOD	√	√			√		
Farm Program	√	√	√	√	√	√	√
Lights-On	√	√			√	√	
C-PACE	√	√	√				√
Pre-WAP	√	√			√	√	
Pathways to Green Schools	√	√		√		√	
SREC Trade Auction	√		√				
Affordable Multifamily Housing	√	√	√		√		√
Home Performance	√	√			√	√	
Home Energy Counseling and Checkup	√	√			√	√	
Small Business	√	√	√		√	√	
Commercial Loans	√	√	√				√
Residential Loan/Solar Loan	√	√	√				√
Online Marketplace	√						
EEIF for NP	√	√	√			√	√
Challenge Programs	√	√	√			√	√
Empowerment				√	√	√	√



## Benchmark and Goals for Energy Savings

Program	Energy Savings (Dollars) CY 22	Energy Savings (MMBTU) CY 22	GHG Emissions Avoided (Metrics Tons) CY 22
Home Performance	\$421,582	11,217	1,166.16
HEC2	\$35,084	1020	130.59
Online Marketplace	\$47,916	2,377	245.24
Commercial Loans	\$190,194	55,114	2,546.87
Energy Assessment	\$111,758	6,289	701.80
Farm Program	\$23,653	1,135	53.88
Residential Solar Loan	\$208,944	5,941	878.36
C-PACE	\$1,988,064	9,565	556.05

## Potential Energy Savings Through Energy Assessments

Program	Energy Savings (Dollars) CY 22	Energy Savings (MMBTU) CY 22	GHG Emissions Avoided (Metrics Tons)CY 22
Energy Assessments for Nonprofits	\$401,433	20,599	2,082.93
Pathways to Green Schools	\$25,846	1,258	136.37
Faith Efficiencies	\$7,087	344	36.25
Farm Program	\$10,190	836	52.30
Affordable Multifamily	\$52,501	1,926	175.79

### Benchmarks to be Established

Small Business

EEIF for Non-Profits

EV's for Municipalities

Solar for Schools

Solar for Libraries

ESCO Contracts