

Memo



TO: DESEU Board

FROM: Drew Slater, Executive Director

DATE: March 21, 2025

RE: Executive Director Report

It's been a busy few months between the federal funding freeze, high utility bills, legislation aimed at addressing those bills, and other priorities.

Solar for Nonprofits – We've seen a significant uptick in program utilization from the original program geared specifically to libraries. To date, we've encumbered \$1.8 million of the \$2 million budgeted for FY 25. We believe there is potential interest that could lead this budget line item towards \$4 million.

Rock Dust Pilot Project – The first load of rock dust supplement has been delivered to a farmer in the Harrington area with an additional 10 loads expected soon. There will be a professor from Rutgers University involved in the spreading of the application and the test area for further research. We are hoping to show that this supplement can capture soil carbon at a rate of 2-3 tons per acre.

Local Governments Implementation of SB 237 – We signed a contract last week with the University of Delaware Institute for Public Administration for Phase 2 of the local government assistance program. As part of SB 237 implementation, each municipality shall incorporate climate change and sustainability into their comprehensive plans. Phase 2 will collaborate with the Office of State Planning, DNREC, and others to provide direct conversations and webinars to local governments.

Office Space – In the 4th quarter of 2022, the DESEU signed a contract extension for both Suite 400 and 450. We needed additional space for staff outside of 400, which itself had 3 offices at the time, and therefore the addition of another 4 offices. We've discussed water leaks specific to 450 in the past and the lack of storage space.

Since then, one of our program partners left their space in the building, which is where all large meetings were held. This has left us with a lack of space for any meeting larger than a staff meeting. While we were able to work with the building owners to use the partners space once, this is not a long-term solution. Therefore, as discussed at the January meeting, we looked into space throughout the building and the potential cost to retrofit the area. If the DESEU were to move into a larger space to accommodate larger meetings, such as the board meeting, best practice working group, and other trade allies meetings, the cost to retrofit is up to \$150,000. This would include the price of materials, labor, building for offices and a storage area, electrical upgrades, flooring, and larger conference room to accommodate trade allies, best practice working group meetings, and trainings. Currently, the other option is in Middletown and that may

not be a long-term solution either.

Federal Funding Freeze Impacts

Commercial Loans –

Towns and Conservation Block Grants – Two towns have reached out to us after their federal Conservation Block Grant funds were frozen. In one case, after a roof replacement, we were able to assist the Town of Bellefonte to re-install their already existing solar panels and replace outdated inverters. This did not impact their potential EECBG funding.

With the uncertainty of federal funding, there is the potential where we can consider funding their project through our non-profit program in addition to providing an energy efficiency assessment.

Greenhouse Gas Reduction Fund / IRA –

High Utility Bills

Home Performance with Energy Star® and Assisted Home Performance –

Home Energy Checkup and Counseling (HEC2) -