

DELAWARE MUNICIPAL ELECTRIC CORPORATION
REGULAR MEETING
DEMEC ADMINISTRATIVE BUILDING
SMYRNA, DELAWARE
February 19th, 2019

A meeting of the Board of Directors of the Delaware Municipal Electric Corporation was held Tuesday the 19th day of February, 2019 at DEMEC's Administrative Building, Smyrna, Delaware.

The meeting was called to order at 10:06 a.m. with Morris Deputy, Chair, presiding.

The following roll call was presented:

Present:

Morris Deputy, Chairman
Representing Middletown
Tyler Reynolds, Alternate
Representing Middletown
Eric Norenberg, Director
Representing Milford
Charles Anderson, Director
Representing Seaford
June Merritt, Alternate
Representing Seaford
Pam Patone, Director
Representing the MSC of New Castle
Dr. Roy Sippel, Alternate Director
Representing the MSC of New Castle
Donna Mitchell, Director
Representing Dover
James Robinson, Alternate Director
Representing Dover
Tom Coleman, Director
Representing Newark
David Del Grande, Alternate Director
Representing Newark
Darrin Gordon, Director
Representing Lewes BPW
Austin Calaman, Alternate
Representing Lewes BPW
Mary Ellen DeBenedictis, Director
Representing Clayton
Gary Stulir, Director
Representing, Smyrna
Patrick E. McCullar, President
Representing DEMEC

DEMEC Staff Attending: Kimberly Schlichting, COO-SVP Operations & Power Supply; Louis Vitola, VP-Finance; Heather Contant, Communications Specialist; Kendra Friel, Administrative Assistant/Training & Events Coordinator; Jennifer Coulbourne, IT System Administrator; Stephanie Dove, Manager of Accounting & Settlements; Steve Siok, Director of Beasley Plant Operations & Compliance; Scott Lynch, VP of Asset Development; Emily Greene, Energy Services Manager

Guests and Attendees: Harold E. Stafford, Help Initiative, Inc.; Tony DePrima, Executive Director of Energize Delaware; Angela Bivens, Project Coordinator with Franklin Energy; Jerry Spaulding, Program Manager with Franklin Energy

MINUTES

The minutes of the following meetings were presented for approval:

1. Minutes of the Meeting of December 4, 2018

Upon motion made by Seaford to approve the minutes of the meeting of December 4, 2018, seconded by Clayton, the motion passed unanimously.

APPOINTMENTS / ELECTIONS

None.

TREASURER'S REPORT

Mr. Patrick McCullar, President and CEO reported that December has proven to be a good month. He noted that larger margins were generated due to the efficient performance of generation assets, resulting in growth of the cash balance, mainly toward non-designated funds. Analysis of the data is currently underway, but the audited report is not anticipated to change much.

Upon motion made by New Castle MSC to accept and approve the December 2018 Financial Report, seconded by Lewes BPW, the motion passed unanimously.

PRESENTATIONS

Energize Delaware and Franklin Energy

Ms. Emily Greene, Energy Services Manager, made the board aware of a new program being introduced by the Delaware Sustainable Energy Utility (DESEU), now rebranded as Energize Delaware. This Home Energy Counseling and Checkup (HEC²) Program will work well with DEMEC's Energy Smart Program. Using these two programs, an Energy Conservation Workshop is being developed and will be piloted in Milford. Ms. Greene stated that she will be reporting on the results as they are made available.

Ending here, Ms. Greene introduced Mr. Tony DePrima, the Executive Director of Energize Delaware, to present on the new Energy Counseling and Checkup Program.

Mr. DePrima presented on the new HEC² Program developed by Energize Delaware to assist low to moderate income families. He reminded the board of the 4 Community Energy Centers set up previously, which failed to serve this purpose as anticipated. The elements which were successful are being rolled into this program, along with home energy checkups. A workshop format was decided on to bring the program closer to the customers.

Ms. Angela Bivens, Project Coordinator with Franklin Energy and lead for the HEC² program, gave an overview of the program, noting the 3 tools used to empower the low to moderate income families who participate.

First, the In-home Energy Checkup and Counseling. Energy usage will be assessed, recommendations on conservation will be made and additional energy resources such as assistance will be discussed. Upon completion, the customer will be provided with up to \$100 worth of energy saving materials.

Second, Energy Conservation Workshops will be organized. In these workshops, low and no cost tips will be provided on energy conservation as well as additional energy resources. Upon completion, a weatherization kit will be provided.

Lastly, 1on 1 pop-up counseling centers will be organized. At these centers, an Energy Adviser will be available to review bills and offer other services or referrals.

Ms. Bivens stated that Energize Delaware hope to form a partnership with the DEMEC membership. The members will be responsible for identification of workshop and pop-up center locations, promotion of the program and collection of RSVPs. Energize Delaware will provide all kits and promotional items. She noted that Ms. Greene is also looking for ways to include Efficiency Smart information at these events.

Other necessities to be provided include a confidential counseling area for the 1 on 1 pop-ups, with appointments being managed by the member. A committed contact for energy advocacy and promotion of the in home checkups. Once again, marketing materials will be provided, this material will need to be placed where potential customers can obtain it.

Ms. Bivens concluded her presentation and opened the floor for questions.

Mr. Tom Coleman, Director representing Newark asked if income thresholds apply to workshop attendance. Ms. Bivens noted that the workshops, while open to the public, will focus on low to moderate income customers and will be held in those areas. Mr. Jerry Spaulding, Program Manager with Franklin Energy, took a moment here to assure those present that all councilors are Building Performance Institute (BPI) certified and are very experienced in energy counseling.

Ms. Pam Patone, Director representing MSC of New Castle, asked how an interested community could sign up. Ms. Bivens invited all interested parties to contact her noting that the program can be modified to fit the needs of any member. Mr. David DelGrande, Alternate Director representing Newark, took a moment to praise previous programs and asked Ms. Bivens if plans were underway

to set up in Newark again to which she replied yes. Ms. June Merritt, Alternate Director representing Seaford, asked how many workshops were anticipated yearly. Ms. Bivens noted that only one yearly workshop is anticipated at this time. Mr. DePrima indicated that Energize Delaware wishes to expand this number, but noted that the program, as well as many others, are funded out of the Regional Greenhouse Gas Initiative (RGGI), which is finite. He suggested that additional sponsorship by DEMEC would help expand the program. Mr. McCullar reminded Mr. DePrima that a portion of the RGGI fund comes from DEMEC, therefore DEMEC is already funding the program. He did note however that if a mutually beneficial endeavor were identified, the DEMEC board would be happy to consider additional funding.

RESOLUTIONS

Resolution 2019-1 – DEMEC MRPS Forward Planning Cycle

Mr. Scott Lynch, VP of Asset Development, presented to the board a resolution and memo suggesting changes to the current Municipal Renewable Portfolio Standard (MRPS). He noted that 2017 – 2018 was the final compliance year in the current 5 year cycle and that the annual targets matched exactly with Delmarva's statutory schedule requirements.

It is Mr. Lynch's suggestion that DEMEC forgo the previously decided upon shallowing of the path in favor of continuing to follow Delmarva's trajectory due to the political benefits enjoyed, limiting any "comparability" questions from the State of Delaware and the Delaware Legislature. While maintaining the trajectory will burn through the back logged resources more quickly, no immediate issues will arise. Mr. McCullar inquired if DEMEC's current resources would be adequate. Per Mr. Lynch, they are for now, but he projects that we will fall a little short in 2025, noting that all full requirements members will be covered, but Dover will experience a shortage of available RECs from DEMEC. Mr. Lynch also explained that various factors could alter this projection such as future load growth, the amount of excludable customer loads, existing renewable resource production, legislative changes and effective dates, new renewable energy project development, and DEMEC member interests in developing additional renewable energy projects. These hurdles will be addressed if/when they occur.

Ms. Donna Mitchell, Director representing Dover asked if there were any time constraints which would require an immediate decision. Mr. McCullar stated that an immediate decision is not necessary but that one should be adopted in the near future. Ms. Mitchell asked Mr. Lynch to meet with Mr. Jim Robinson, Alternate Director representing Dover, who wishes to gain a better understanding before a decision is made. Mr. McCullar also stated that should legislative movement result in an increase in RPS, a new resolution would be generated.

Mr. Tom Coleman, Director representing Newark, expressed concern that falling short of the goal would result in negative political impact. Mr. McCullar expressed confidence that this would not be the case given the very small shortfall. When this happens, Mr. McCullar feels that the behind the meter solar programs may take care of the SREC shortfall, but for RECs DEMEC will most likely need to go to market or bring on another REC generating facility to cover the shortage. Mr. Lynch shared that the RECs acquired by the arrangement with the University of Delaware to purchase RECs from their Lewes windfarm is not included in these calculations, beyond the current years contracted, as it is a supply we do not control. As long as the agreement is maintained, these RECs will be able to cover a portion of the shortage.

Mr. Robinson asked why DEMEC is following the path set by Delmarva. In his opinion, we should be seeking to surpass expectations. With renewed and growing legislative interest, why not show how, because of our unregulated status, DEMEC is able to take a more aggressive approach and develop projects more quickly. He noted that the intention to mirror Delmarva will cause legislators to view us like Delmarva, which will make it difficult to push back on mandates.

Mr. McCullar thanked Mr. Robinson for his question and noted that while we are currently following the Delmarva schedule, DEMEC is still the leader in renewable development citing encouraged development as well as DEMEC developed solar projects. These projects have resulted in nearly half of all solar in the State of Delaware being developed by DEMEC, while serving only 15% of the state. This alone has given DEMEC credibility. DEMEC communities are proactive in exceeding standards and therefore the impact of regulations to the bills of these customers is seen as unreasonable. Mr. McCullar noted that this is a frequent conversation he has had with legislators.

Ms. Schlichting stated that should the municipalities like to exceed the current standards that is most certainly welcomed. Mr. McCullar agreed and stated that should any member choose to do so, DEMEC would be happy to assist in identifying the most cost effective way to achieve resource adequacy.

Ms. Patone asked if the decision to undertake future solar project would be hinged on the board approach to this resolution. Mr. Lynch noted that at this time, with the available resources, he is seeking the most cost effective renewable projects he can. However, if we were to find ourselves in need of additional resources to meet RPS, he will be forced to look more broadly and possibly accept higher prices.

Sparked by a question from Mr. Norenberg, a discussion took place regarding the processes adopted by the Delaware Electric Coop. Given Mr. Lynch's unfamiliarity with these tracking methods, he noted that he could not effectively decipher their processes.

Mr. Coleman asked how much time would be needed to make up difference in the DEMEC and Delmarva curve in this compliance year. Mr. Lynch noted that a decision by May would be highly desirable.

Mr. McCullar noted that pushing this decision out will allow time for the City of Dover to make a decision on their proposed changes. This decision will affect the availability of SRECs & RECs to make up the difference in the curve, and will make it easier to meet requirements.

It was decided that the resolution would be revisited once Dover knows the path they will be taking.

Resolution 2019-2 – Approving Assumption of AFEC Shares

Per Mr. Morris Deputy, Chair and Director representing Middletown, this resolution will be addressed in executive session.

COMMITTEE REPORTS

Executive Committee –

None.

Audit Committee –

Ms. Patone stated that a meeting of the audit committee had taken place this morning. During this meeting, RFPs for audit services and the travel policy were reviewed. Ms. Patone indicated that a proposal for travel policy approval, as well as more information on the received RFPs will be made available at a future meeting. She also informed the board that the committee plans to meet with the auditors, who are currently onsite, once the board meeting concludes.

PRESIDENT'S REPORTS TO BOARD

Mr. McCullar took a moment to inform the board that, as instructed, an RFP has been created for a business performance analysis. All proposals will be received by March 15th, 2019.

Generation Project Report:

Mr. McCullar noted that all assets have been available and operating. In January, Beasley operated very little but with a positive margin. Fremont operated quite a bit more, resulting in a significant margin. He indicated that a more in-depth discussion would be undertaken in executive session.

Construction Project Status Report:

Middletown Transmission & Substation –

The project is currently awaiting final design specs for the transmission line from Delmarva Power (DPL).

Economic Development Projects:

Middletown Technology Center –

The project is still on the table, but is currently experiencing timing issues.

Newark STAR Campus –

Mr. McCullar stated that the project is far ahead of schedule and asked Mr. Coleman if any new information was available. Mr. Coleman responded in the negative.

Legislative Status Report:

Ms. Schlichting reported on the status of talks addressing the RPS bill introduced at the eleventh hour last session. This bill was previously rejected because all involved parties were not provided adequate time to assess its full impact. She indicated that she and Mr. Lincoln Willis are currently exploring next steps. Mr. Willis is working to schedule a meeting with Senator McDowell to discuss the committee he committed to pull together, which was to be tasked with addressing the bill issues for all involved parties. DEMEC has reached out and connected with others individually, but at this time no official committee is in place. Next, she and Mr. Willis plan to meet with representation from all of the members to discuss their concerns. Ms. Schlichting noted that DEMEC will make every effort to be mindful of the interests and concerns of each municipality. She also noted that she has attempted to obtain a copy of the new bill for review to no avail. Contact with the Delaware Electric Coop (DEC) has indicated that they once again plan to stand against the bill. DPL is expected to be indifferent. DEMEC hopes to stand as a voice of reason and ensure that the monetary impact to our customers is fair.

Ms. Schlichting and Ms. Emily Greene, Energy Services Manager are currently working on talking points intended to provide clear and straightforward, high level data per the instruction of Mr. Willis. Emails are also being crafted for calls to action, including requests for input from the board once the bill is received. Ms. Patone asked if the talking points would be available by March 19th, 2019 so she can provide a copy to Senator Nicole Poore on her visit. Ms. Schlichting stated that they will be available.

Ms. Schlichting also noted that DEMEC is trying to determine what organization(s) are backing the legislation. Whomever is doing so has acquired a lobbyist and is frequently visiting Legislative Hall. She indicated that Mr. Willis is representing DEMEC in this capacity and striving to be the voice of reason regarding the legislation. With cost implications not completely clear regarding the current compliance goals, we are recommending that this issue be revisited after 2025 when incurred costs will be clearer.

Mr. Coleman asked if, given the previous discussion about resolution 2019-1, DEMEC does have some idea of the costs associated with the current compliance goal and will need to seek further RECs however we plan to proceed. Mr. McCullar stated that this is correct, but it is still the responsibility of DEMEC to seek opinions for our communities regarding the implementation of new renewable resources. As things stand, we can seek the most economic projects to meet their goals. With wind and solar (under certain business models) being cheaper, DEMEC is fairly confident that if the board or a member community decide to exceed the current standards, we can bring on resources to meet targets. Mr. Coleman asked for a rough cost to accomplish this. Mr. McCullar ensured Mr. Coleman that he would have something pulled together.

Utility Best Practices Update:

Ms. Stephanie Dove, Manager of Accounting and Settlements informed the board that surveys are wrapping up. She also noted that after the board meeting on March 19th, a lunch and learn will be held here, in the DEMEC Training Facility, to review the findings. DEMEC staff and Dave Spigler

of the Spigler Group will be available for questions. She noted that a calendar invite had been sent to all board members only, but others are welcome at the behest of the board. She asked that contact information be sent to her for other interested individuals.

Mr. McCullar asked how long the meeting is anticipated to last. Ms. Dove stated that the meeting will end when all board members understand the findings. In answer to questions submitted by Ms. Patone, Ms. Dove assured the members that a copy of the findings would be provided before the meeting, and should someone not be able to attend, all questions can be forwarded to her attention to be addressed at the meeting. Ms. Patone also asked for a summary of the questions submitted by her fellow board members to be provided. Ms. Dove indicated she be happy to provide this information.

AMI Updates:

Mr. Louis Vitola, VP of Finance reported on the following AMI projects:

Seaford

Seaford has fewer than 100 electric meter installations remaining. They are currently awaiting some meters which are due to arrive next week. A manageable number of water meters remain to be installed. Seaford has experienced a number of skips, where a wall mount or meter is not reporting back correctly to the network. They are working with AMP and their vendors to correct this. A meeting was held on January 28, 2019 to discuss solutions and since this date dozens of these issues have been resolved. Their efforts continue.

Milford

Milford has a subset of net electric meters to install. Since last month they have completed the installation of 700+ meters. At this stage, Mr. Vitola notes that a significant amount of the remaining work is IT related.

Light Up Navajo:

Ms. Schlichting reviewed the current status of DEMEC involvement in the initiative, noting that 4 linemen will be participating and are on the calendar for the week of April 13 – April 20. All flights have been booked and other logistical measures, such as the possible shipping of equipment, are now being reviewed. Mr. McCullar took a moment to inform the board that on his approval, Ms. Schlichting will be accompanying our crew to represent DEMEC and the APPA board. Ms. Schlichting noted that her intention is to advocate for the initiative and to encourage others to participate in coming years.

Mr. DelGrande asked if a debriefing will be provided at the annual APPA National Conference. Ms. Schlichting stated that she does expect a debriefing of lessons learned as well as award presentations for participants. She ended by encouraging all interested board members to contact her to arrange attendance at the National Conference this year.

Training / Education:

Joint Linemen Training Yard

Ms. Schlichting, with the assistance of Ms. Greene, has been pursuing the possibility of constructing a Joint Linemen Training Yard, which she notes is a topic that has been under consideration for a number of years. Since the last meeting, cost and logistics have been explored, as well as potential sites being identified. As a joint effort, it seems to be a promising undertaking. Ms. Greene will be providing a list of questions to the members to better assess the cost effectiveness of the endeavor. The cost for materials will need to be researched. Ms. Schlichting inquired if this is something Newark could assist with given their effective use of the AURSI program. Mr. Coleman stated that he was considering the same. Per Ms. Schlichting, once a projected cost of materials is obtained, the alignment of costs can be undertaken. Ms. Schlichting also shared that she and Ms. Greene have been working with AMP, who currently has a training yard which they have outgrown, to identify and address potential hurdles.

When asked by Mr. Coleman if underground training would be made available at the site, Ms. Schlichting stated that currently aboveground training, underground training and eventually substation training are being pursued. To begin, she intends to speak with the distribution managers from each community to get an idea of their needs. Mr. McCullar instructed Ms. Schlichting to seek a site which will allow for a transformer vault and underground conduit. He noted that the shallow water table of Delaware will be a challenge. Ms. Schlichting noted that one potential property being considered has had the water table evaluated already. Mr. Norenberg requested that when questions are submitted to the membership, a question on union contract requirements in the municipalities be included. He noted that Milford is currently negotiating a contract with their local union and training is a component. He hopes to seek some sort of standardization across the membership to make this easier.

The potential of opening the proposed facility to non-members of DEMEC was discussed. The letting of the property to other AMP municipalities as well as trade schools was considered.

Ms. Schlichting noted that more information will be provided as the project develops.

Ms. Schlichting reminded the members of the following upcoming events:

- APPA Community Awareness Series: Driving Engagement – Tuesday, February 19, 2019
- Basic Cost of Service: Concepts & Rate Planning – Tuesday, March 12, 2019
- Distribution Managers Lunch & Learn – Wednesday, March 27, 2019
- Communications & Public Relations Roundtable – Thursday, March 28, 2019
- DEMEC Day – Wednesday, April 10, 2019

Ms. Schlichting reminded members that this is also the date of the DPL Wholesale Meeting.

- CSP Session 1 of 4: Strategies for Successful Customer Service – Tuesday, April 30, 2019
- Joint Council Briefing – Wednesday, May 22, 2019
- Public Utility Accounting – TBD

Communications Update –

Ms. Heather Contant, Communications Specialist, began her update by providing the board with her first monthly report on charitable donations and/or sponsorships. She asked for input on the report and it was decided that the formatting and information provided were sufficient at this time. She reminded the board that all requests will be submitted for approval to the member in whose community the event is held. Should the event not be in a DEMEC community, but is a statewide event, the approval of all members will be sought. Two requests have been submitted at this time, one for an event in Smyrna and the Junior Solar Sprint, which DEMEC has supported in the past.

Ms. Contant reviewed her intention to continue radio campaigns for 2019 as in years past, noting that only minor changes are being made to the previous campaigns. She reminded the members that the objective of this endeavor is to make sure customers and legislators (local and state) know about DEMEC, who our members are, the importance of Public Power and the resources we offer. She noted that the previous two campaigns will once again be undertaken, running from May to December on 94.7 – WDSD and the iHeart Radio App. New this year, 92.9 – TOM FM will be added. She reminded the board that all costs for these campaigns have been included in the Communications and Outreach budget for 2019. Statistics from previous years were provided to support the success of past campaigns.

Also new for 2019, Ms. Contant has proposed an additional campaign in support of our demand response/Power Savers efforts. This new campaign will allow DEMEC to reserve 10, 30 second slots on 10 flexible days. These commercials will run 24 hours before a demand response event is anticipated, between the hours of 6:00 a.m. and 6:00 p.m. to ensure exposure during peak listening times. If all days are not used for demand response, the remaining can be used at a later date. Included in this campaign is a week ahead endorsement starting around Memorial Day. This endorsement will be done by one of the most popular DJs on the station, Krista. This 60 second endorsement will be run three times a day, Monday through Friday.

The final campaign proposed by Ms. Contant is a sponsorship of the TOM FM's morning show segment called "Five Things to Click". This segment offers simple, fun and family friendly information. Each occurrence of this segment in the proposed eight weeks between June and July, will be prefaced with "Powered by Delaware Municipal Electric Corporation". The segment is run five times each day, Monday through Friday and receives wide exposure, further familiarizing people with our name.

Ms. Contant asked for input from the board, stressing that this endeavor is still in its infancy and will be tweaked to add and remove campaigns as we determine what best fits DEMEC.

Mr. McCullar and Ms. Schlichting, while acknowledging that the funding for these campaigns are included in the Communications and Outreach budget, shared ideas of other budget line items that

could absorb some of the cost should the board not wish to see this budget item impacted so greatly. Ms. Schlichting proposed taking some funding from the Green Energy Funds. Mr. Gary Stulir, Director representing Smyrna and Ms. Patone both expressed displeasure with this alternative, stating that the funds accumulate slowly and the money there in is spoken for.

Per Mr. Norenberg, a radio station in southern Delaware has reached out on numerous occasions to himself and the Mayor of Milford, asking for an update on the city. Mr. Norenberg thinks that, if provided with talking points on each campaign, this could be a free opportunity to promote DEMEC in southern Delaware. He went on to ask if the possibility of cooperating with DEC and their "Beat the Peak" program or any DPL program was possible. Ms. Contant noted that these programs are trademarked and could be very costly to take part in. Also, the DEMEC Power Savers Program is operated very differently. Lastly, Mr. Norenberg asked Ms. Contant if promoting on public/talk radio was an option. She noted that there are possibilities that she would be happy to look further into, noting that this endeavor is always changing and stations will be added and removed as we determine what works best for DEMEC.

Motion to proceed was deemed unnecessary as this endeavor has already been approved in the Communications and Outreach budget for 2019. It was decided that Ms. Contant would proceed with her plans as stated.

Green Energy Program Status Report:

Renewable Energy Tracking – none.

Customer Sited Generation Policies – none.

Energy Efficiency Advisory Council (EEAC) –

Ms. Greene reported that no meeting of the council will be held this month. She has however completed the 2018 annual reporting, which includes the first few months of the Efficiency Smart statistics, and has provided it to the council. The council understands that the findings are currently unverified, but all program reporting entities are also coming in unverified data at this time. The .99 cent LED by-downs were featured and an interview with Lifecycle took place in Milford. We can expect this to be included in their annual report.

Energy Efficiency Program Update –

Ms. Greene called the attention of the board to the provided dashboard for December of 2018. She briefly reviewed the number of completed projects and other successes of the program during December. She noted that the participating businesses are very happy to continue to participate.

Ms. Greene reported that during the week of January 28 2019 technical meetings within various communities were undertaken. In Clayton, Ms. Green and Mr. Tom Coyle of Efficiency Smart met with Providence Creek Academy and the senior center. In Milford, Kent Sussex Industries, The Milford Place and the schools were visited. In New Castle, follow up with existing participants was undertaken and meetings with potential new participants are scheduled for tomorrow. Ms. Greene and Mr. Coyle will be in Milford this Thursday and in Seaford this Friday.

A few marketing and outreach endeavors have been undertaken as well. At the request of Mr. Norenberg, a trilingual flier (Creole, Spanish and English) was developed for the program and will be on the back of the Milford January bill stuffer. Also, at the request of multiple board members, Ms. Contant is working on a brief video to be shown in municipal lobbies and on the social media of interested members.

Ms. Green was happy to announce that Newark has decided to participate in the DEMEC Energy Efficiency Program. She intends to start working with them very soon.

Ms. Mary Ellen DeBenedictis, Director representing Clayton, reminded Ms. Greene that a new business will be opening very soon in Clayton.

Mr. McCullar expressed pleasure that the Mr. Coyle was getting around to so many of the businesses, stating that is what is needed to truly understand what our customers need. They now know we have a program to support them.

Demand Response Update –

Ms. Greene noted that Exclusivity Requests have been submitted to all members and the majority have been completed. She encouraged the remaining members to respond.

Mr. Lynch noted that Newark has started the prep work to enroll in the program. He suggested stepping in with water pumping. He offered to bring CPower, DEMEC's DR Contractor, in to introduce idea of using pumping stations to bring in additional funds to the Newark staff.

BUSINESS FROM THE FLOOR

Mr. McCullar reported on a recent meeting he and Ms. Schlichting had with Tangibl, an Engineering Consulting firm located in southern PA. With the loss of Downes Associates, a number of members have found themselves seeking a new engineering consultant. Mr. McCullar and Ms. Schlichting are looking to identify potential companies to fill this void. While pricing has not yet been discussed, Tangibl checks off the majority of the boxes. Mr. McCullar offered to set up individual or a group meetings for all interested parties, noting that Tangibl is in no way being promoted by DEMEC, but is a potential fit for the members in need of such service. He noted more possibilities will be presented as they are identified.

Ms. Mitchell was perplexed that Tangibl had not submitted an RFP for Dover's recent inquiry. Mr. McCullar asked Ms. Mitchell to kindly share the names of those who did respond with the membership. Ms. Mitchell asked if the other communities present were required to submit an RFP for the service or if DEMEC could undertake this process and cover these members. Mr. McCullar stated that DEMEC is capable of doing so, but has not done so at this time.

EXECUTIVE SESSION

The Board went into executive session at 11:54 a.m. upon motion by Newark, seconded by New Castle MSC to discuss the following:

- a. To discuss personnel actions, strategic business and commercial generation operations, dispatch, negotiations and planning.

The Board ended the executive session and returned to regular session at 11:35 a.m.

The Board took up Resolution 2019-2– Approving Assumption of AFEC Shares.

Upon motion made by Newark to approve adoption of Resolution 2019-2, seconded by Milford, the motion passed unanimously.

NEXT MEETING DATES

The following meeting dates were set:

Tuesday, March 19, 2019 – 10:00 a.m.

Tuesday, April 16, 2019 – 10:00 a.m.

Tuesday, May 21, 2019 – 10:00 a.m.

ADJOURNMENT

Upon motion by Lewes, seconded by Newark, the Board Meeting adjourned at 11:35 p.m.