

DELAWARE MUNICIPAL ELECTRIC CORPORATION
REGULAR MEETING
Remotely Through Zoom
July 27, 2020

A meeting of the Board of Directors of the Delaware Municipal Electric Corporation was held Monday, the 27th day of July 2020 remotely via Zoom.

The meeting was called to order at 10:02 a.m. with Morris Deputy, Chair, presiding.

The following roll call was presented:

Present:

Morris Deputy, Board Chairman
Representing Middletown
Tyler Reynolds, Alternate
Representing Middletown
Will Gallagher, Alternate Director
Representing Milford
Charles Anderson, Director
Representing Seaford
June Merritt, Alternate
Representing Seaford
Tom Coleman, Director
Representing Newark
David Del Grande, Alternate
Representing Newark
Mary Ellen DeBenedictis, Director
Representing Clayton
Gary Stulir, Alternate Director
Representing Smyrna
Darrin Gordon, Director
Representing Lewes BPW
Pam Patone, Director
Representing MSC of New Castle
Dr. Roy Sippel, Alternate Director
Representing MSC of New Castle
Patrick McCullar, President
Representing DEMEC

DEMEC Staff Attending: Scott Lynch, VP of Asset Development; Jennifer Coulbourne, IT System Administrator; Stephan Siok, Director of Beasley Plant Operations & Compliance; Emily Greene, Energy Services Manager; Heather Contant, Director of Media Relations & Communications; Kendra Friel, Training & Events Coordinator.

Guests and Attendees: Max Walton, DEMEC Legal Counsel, Connolly Gallagher

MINUTES

The minutes of the following meeting(s) were presented for approval:

1. Minutes of May 18th, 2020
2. Minutes of June 22nd, 2020

Upon motion made by New Castle to approve the minutes of the meeting of May 18th, 2020 & June 22nd, 2020 seconded by Clayton, the motion passed unanimously.

TREASURER’S REPORT

Mr. Patrick McCullar, President and CEO, presented the financial reports for May and June 2020.

Upon motion made by New Castle to accept and approve the May and June 2020 Financial Reports, seconded by Seaford, the motion passed unanimously.

Mr. McCullar then reviewed the DEMEC 2nd quarter investment report. Mr. Tom Coleman, Director representing Newark, inquired about the types of companies within the investments given the current state of the economy. Mr. McCullar stated that they are all larger, well established companies and expected to continue doing well.

APPOINTMENTS / ELECTIONS

Corporate Treasurer:

Mr. McCullar recommended that the Chair of the Finance Committee take on the role of Treasurer, noting that other joint action agencies find this to be an effective decision. Approval was put on hold to allow for the Finance Committee to review the role and impact to the committee.

PRESENTATIONS

None.

RESOLUTIONS

RESOLUTION 2020-02 to update the risk management policy was presented for approval. Mr. McCullar highlighted the recommended changes and answered questions from the Board.

Upon motion made by New Castle to approve Resolution 2020-02, seconded by Clayton, the motion passed unanimously.

COMMITTEE REPORTS

Executive Committee –

Mr. Darrin Gordon, Director representing Lewes BPW and Chair of the Executive Committee, stated there was no report, reminding members to complete the survey they received.

Finance Committee –

Ms. Pamela Patone, Director representing the MSC of New Castle and Finance Committee Chair, stated there was no report.

PRESIDENT’S REPORTS TO BOARD

Generation Project Report:

Fremont-

Mr. McCullar stated Fremont continues to be a positive contributor, running at high levels.

Beasley –

Both units have been running daily in response to the current heat wave. It is anticipated that this will continue.

Laurel Hill –

This asset is producing expected output for the summer season.

Milford Solar –

Continues to generate expected output for the summer season.

Construction Project Status Report:

To be discussed in Executive Session.

Middletown Transmission & Substation –

None.

Economic Development Projects:

Middletown Technology Center –

Mr. Morris Deputy, Director representing Middletown and Board Chair, stated there are several contracts being reviewed for consideration.

Newark STAR Campus –

Mr. Coleman shared that there has been a large increase in load due to new customers.

Mr. Deputy also noted that several residential projects are moving along in Middletown.

Legislative Status Report:

Mr. McCullar shared that legislative concerns were avoided this session and will likely resurface during the next session.

Ms. Heather Contant, Director of Media Relations & Communications, shared that due to increased outreach, Senator Coons’ and Congresswoman Blunt Rochester’s offices reached out to DEMEC for input regarding federal measures to respond to the COVID pandemic.

AMI Updates:

New Castle –

Plan to reach out to DEMEC when they are ready to move forward.

Middletown –

A contract with AMP is currently being discussed.

Milford –

Currently working on software updates and working with AMP on future equipment purchases.

Other AMI Projects –
None.

By-Laws & Articles of Incorporation:

Mr. McCullar stated that the draft By-Laws and Articles of Incorporation have been recirculated to the board for final review. Mr. Max Walton, Legal Counsel, stated that the document addressed important updates. One correction was noted by Ms. Patone regarding the date of DEMEC's annual meeting.

Upon motion made by Lewes to approve and accept the proposed By-Laws and Articles of Incorporation, with noted correction, seconded by Newark, the motion passed unanimously.

Executive Committee Charter:

Upon motion made by Newark to approve and accept the proposed Executive Committee Charter, seconded by Lewes, the motion passed unanimously.

Risk Management Policy

Discussed and approved under RESOLUTIONS.

Strategic Plan:

Mr. McCullar reminded the members that the second of three (3) strategic planning sessions will be held on Thursday, July 30, 2020 at the DEMEC Training Facility.

RP3:

None.

BoardPaq:

Discussion was had on the use of BoardPaq. DEMEC will continue to manage and make iPads available for director's use as needed.

Welcome Book:

Mr. McCullar shared a draft copy of the DEMEC Welcome Book. He asked the members to review and offer feedback. Ms. Patone stated that she was impressed with the document and may borrow from it for a similar document she is preparing.

Mr. McCullar invited the members to contact Ms. Schlichting with comments and suggestions.

TRAINING AND EDUCATION

Ms. Kendra Friel, Training & Events Coordinator, offered a brief update of upcoming trainings and events. Mr. McCullar shared that DEMEC's Annual Dinner will likely be virtual. Ms. Friel shared that she and Ms. Contant are currently formulating a plan should that be the case.

Communications Update:

Ms. Contant reviewed the Charitable Donation & Sponsorship Requests Report. She asked members to continue to share Power Saver’s alerts with their communities to help with demand response efforts.

GREEN ENERGY PROGRAM STATUS REPORT

Demand Response Update –

Mr. Lynch noted that several demand response calls were made and more are expected. Mr. McCullar shared that August is projected to be hotter than normal. He assured the members that staff is watching closely to ensure peak dates are captured.

ENERGY EFFICIENCY PROGRAM STATUS REPORT

Ms. Emily Greene, Energy Services Manager, reported on the following:

Energy Efficiency Advisory Council (EEAC) –

The EEAC held a virtual meeting recently. During that meeting the Council appointed Ms. Greene to lead a team of Delaware utilities looking to determine net to gross ratios when evaluating energy efficiency programs.

Energy Efficiency Program Update –

Ms. Greene reviewed new services coming to the program such as an appliance recycling and a “Buy Local” initiative. She reviewed the dashboard, highlighting areas of interest.

Mr. Coleman asked when the recycling initiative will go into effect. Ms. Greene noted that Efficiency Smart is hoping to have the initiative in effect within a week or two.

Renewable Energy Task Force Meeting Update -

No update.

INFORMATION TECHNOLOGY

IT Update –

Ms. Jennifer Coulbourne, IT System Administrator, shared that phishing and tabletop exercises were recently undertaken. A summary of lessons learned will be provided to the board at a future meeting.

Mr. McCullar commended Ms. Coulbourne for her expertise and continued adaptation to remote work during the pandemic.

BUSINESS FROM THE FLOOR

Mr. Coleman introduced the idea of DEMEC developing a Customer Support Program to help customers avoid disconnects during the pandemic. After discussion, the Board approved donating a total of \$250,000 to DEMEC member communities to enhance local customer assistance funds.

Upon motion made by Lewes to approve donating funds to each community’s Customer Support Program, seconded by Newark, the motion passed unanimously.

Ms. Patone shared that New Castle County municipalities have been tasked with developing continuity of operations and emergency response plans. She inquired about DEMEC's plans and offered to share the results of her work. It was agreed that DEMEC will look into other joint action business continuity plans and report back to the Board.

Mr. Walton asked if calls with the Governor were still being held on Tuesdays to see if future Board Meetings needed to be rescheduled. After discussion, it was decided that future meetings would remain as scheduled and adjusted, as necessary.

EXECUTIVE SESSION

The Board went into executive session at 11:16 A.M. upon motion by Clayton, seconded by New Castle to discuss the following:

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

The Board ended executive session and returned to regular session at 11:24 A.M.

RETURN TO REGULAR SESSION

Upon return to regular session no further action was taken.

NEXT MEETING DATES

The following meeting dates were set:

Tuesday, August 18, 2020 – 10:00 a.m.

Wednesday, September 9, 2020 – 4:00 p.m. (*Annual Meeting*)

Tuesday, October 20, 2020 – 10:00 a.m.

ADJOURNMENT

Upon motion by Lewes, seconded by Newark, the Board Meeting adjourned at 11:25 A.M.