

DELAWARE MUNICIPAL ELECTRIC CORPORATION
REGULAR MEETING
Remotely Via Zoom
December 15th, 2020

A meeting of the Board of Directors of the Delaware Municipal Electric Corporation was held Tuesday, the 15th day of December 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
Mark Whitfield, Director
Representing Milford
Will Gallagher, Alternate
Representing Milford
Tom Coleman, Director
Representing Newark
Dave DelGrande, Alternate
Representing Newark
Charles Anderson, Director
Representing Seaford
June Merritt, Alternate
Representing Seaford
Mary Ellen DeBenedictis, Director
Representing Clayton
Andrew Haines, Director
Representing Smyrna
Darrin Gordon, Director
Representing Lewes BPW
Austin Calaman, Alternate
Representing Lewes BPW
Pam Patone, Director
Representing MSC of New Castle
Dr. Roy Sippel, Alternate
Representing MSC of New Castle
Patrick McCullar, President
Representing DEMEC

DEMEC Staff Attending: Kimberly Schlichting, COO/SVP Power Supply; 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; Stephanie Dove, Director of Accounting & Settlements; Charles Santo, Accounting Analyst

Guests and Attendees: Prof. Jeremy Firestone, University of Delaware; Samantha Bingaman, University of Delaware; Bill Oosterom, C-Power; Donna Karas, C-Power; Max Walton, Attorney, Connelly Gallagher; Lincoln Willis, Principal, The Willis Group.

MINUTES

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

1. Minutes of November 17, 2020

Upon motion made by Smyrna to approve the minutes of the meeting of November 17, 2020, seconded by Newark, the motion passed unanimously.

TREASURER'S REPORT

Mr. Patrick McCullar, President & CEO, reviewed the October 2020 Financial Report and offered summary of newly received November results.

Upon motion made by Clayton to accept and approve the October 2020 Financial Report, seconded by Newark, the motion passed unanimously.

APPOINTMENTS / ELECTIONS

None

PRESENTATIONS

University of Delaware – DEMEC Fellowship Student Research

Prof. Jeremy Firestone and Ms. Samantha Bingaman offered their annual report on the research undertaken by DEMEC Fellows at the University of Delaware. They reviewed results of their wind energy research and potential future undertakings, as well as one of their papers being published soon.

Annual Demand Response Report – C-Power

Mr. Bill Oosterom of C-Power presented the annual Demand Response Program update. He shared an overview of the relationship between C-Power and DEMEC, as well as an update on what to expect for the upcoming year. He ended the presentation with a review of 2020-2021 data and options for 2021-2022.

RESOLUTIONS

Resolution 2020-3 – Demand Response Provider Contract Authorization

The resolution to extend the C-Power contract through 2024 was presented by Mr. Scott Lynch, VP of Asset Development. Mr. Lynch recommended the extension, citing the prosperous relationship with C-Power and growth of the program.

Upon motion made by Smyrna to approve Resolution 2020-03, seconded by Milford, the motion passed unanimously.

COMMITTEE REPORTS

Executive Committee –

Mr. Morris Deputy, in his capacity as Chair of the Executive Committee, stated that there is no report and that regular meetings are set to resume in January of 2021.

Finance Committee –

Ms. Pam Patone, in her capacity as Chair of the Finance Committee, reported on the meeting held November 30, 2020. She shared the areas of focus for the meeting including: the 2021 company budget, DEMEC reserve memo, renewable portfolio calculations, and a potential rate study.

PRESIDENT’S REPORTS TO BOARD

Generation Projects Status:

Mr. McCullar reported on the status and performance of all DEMEC assets.

Construction Projects Status:

Middletown Transmission & Substation –

Project discussed in Executive Session.

Economic Development Projects:

Middletown–

No report.

Newark–

Mr. Tom Coleman, Director representing Newark, reported that more development is in the works at the Newark STAR Campus. He noted that an inquiry was submitted by DuPont, but nothing is set in stone.

Smyrna–

No report.

Clayton–

No report.

Seaford–

Mr. Charles Anderson, Director representing Seaford, reported on a recent agreement with Sussex County for a Sussex Business Campus to be built in Seaford.

2021 Budget:

Mr. McCullar reviewed the 2021 staff budget proposal. The Board discussed the budget proposal and asked questions.

The Board made the following changes to the 2021 staff budget proposal:

1. As recommended by the Finance Committee, change the Power Supply Components (Page 15):
 - a. Use the budgeted mWhs for the Beasley Participants only (excluding Lewes mWh) for the Beasley Generation Cost/Credit section only.
 - b. Divide the Beasley Generation Credit line item into two components: 1) Beasley Generation Distribution Credit and 2) Beasley Generation Reserve Credit.With these changes, the Finance Committee recommended the 2021 budget be approved.
2. The Board made the following additions to the capital budget (Page 14):
 - i. Add EV Charging Stations (4) \$ 10,000
 - ii. Add Electric Vehicle Staff Car \$ 40,000

Upon motion made by New Castle to adopt the 2021 Budget, seconded by Clayton, the motion passed unanimously.

Legislative:

Ms. Kimberly Schlichting, COO/SVP Power Supply, reported that DEMEC and the City of Newark, had a virtual meeting with President Pro Tempore, David P. Sokola. Staff shared information with the Senator on DEMEC's business model and sustainability efforts.

AMI:

Mr. Lynch reported that Clayton, Smyrna, and the MSC of the City of New Castle are at various program development stages and DEMEC continues to help where needed.

New Castle–
No report.

Middletown –
Signed off on project. Equipment expected to begin arriving in early 2021.

Clayton–
No report.

Other AMI Prospects–
None.

Strategic Plan:

Ms. Schlichting reported that the final version of the strategic plan had been sent to the board. When asked if the plan in its current state could be shared, Mr. McCullar asked that the board officially adopt the plan in January before sharing with others.

Joint Training Yard:

Project discussed in Executive Session.

AURSI:

Ms. Stephanie Dove, Director of Accounting & Settlements, spoke on the benefits of the AURSI inventory management program and member participation/success. Ms. Dove asked the board if they would like to continue using the program. Members who use the software shared their satisfaction. Mr. McCullar stated that he supports keeping the program since the members using it are seeing value.

EXECUTIVE SESSION

The Board went into executive session at 11:09 a.m. upon motion by Smyrna, seconded by Clayton to discuss the following:

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

The Board ended executive session and returned to regular session at 11:45 a.m.

RETURN TO REGULAR SESSION

Upon return to regular session, no action was taken.

PRESIDENT’S REPORTS TO BOARD - Continued

Communications:

Ms. Heather Contant, Director of Media Relations & Communications, reviewed current public outreach including: DEMEC’s annual educational LED lighting display at Ronny’s Garden World, sponsorship of WBOC’s Holiday Guide to include an interview on Delmarva Life, and radio interviews on holiday/winter energy savings in combination with sponsorship of their Christmas lighting contest.

TRAINING & EDUCATION ACTIVITIES

Ms. Kendra Friel, Training and Events Coordinator, reviewed recent trainings, as well as a list of upcoming trainings and events. She also shared information on current and upcoming updates to the Training & Events portal.

GREEN ENERGY & DEMAND RESPONSE PROGRAMS STATUS REPORT

Demand Response Update –

Update covered during “Annual Demand Response Report” presentation by C-Power.

ENERGY EFFICIENCY PROGRAM STATUS REPORT

Energy Efficiency Advisory Council Update–

No report.

Energy Efficiency Program Update–

Ms. Emily Greene, Energy Services Manager, reviewed the current Efficiency Smart dashboard and report. She also shared that the new Account Manager assigned to DEMEC, Ms. Carolyn Dehorty, was out last week to meet with the members and local small businesses. She reminded the members that four communities are coming up on the end of their contracts and all are projected to reach their targets.

Renewable Energy Task Force Meeting Update–

No report.

Electric Vehicles & Charging Station at DEMEC–

At the November board meeting, Staff was tasked with researching electric vehicles and supply equipment for DEMEC. Ms. Greene presented options for charging stations and potential electric vehicles to purchase. The board decided that DEMEC would purchase one dual charging station with 400amp service before year end. The board requested more information on the vehicle options before deciding.

Upon motion made by New Castle to purchase one 400amp charging station, seconded by Lewes, the motion passed unanimously.

INFORMATION TECHNOLOGY

IT Update–

Ms. Jennifer Coulbourne, IT System Administrator, reported that she met with the Municipal IT Group to discuss Moody’s Report on Cybersecurity. She shared with members of the group a training resource called “Fed Vet”, participation in the upcoming GridX exercise, and working groups funded by the Department of Energy. She then shared information regarding NERC.

BUSINESS FROM THE FLOOR

None.

SET NEXT MEETING DATES

The following meeting dates were set:

- Tuesday, January 19, 2021 – 10:00 a.m.
- Tuesday, February 16, 2021 – 10:00 a.m.
- Tuesday, March 16, 2020 – 10:00 a.m.

ADJOURNMENT

Upon motion by Newark, seconded by New Castle, the Board Meeting adjourned at 12:18 a.m.