

DELAWARE MUNICIPAL ELECTRIC CORPORATION
QUARTERLY MEETING
DEMEC ADMINISTRATIVE BUILDING
SMYRNA, DELAWARE
November 9, 2023

A meeting of the Board of Directors of the Delaware Municipal Electric Corporation was held on Thursday, the 9th day of November 2023 at DEMEC's Administrative Building, Smyrna, Delaware.

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

The following roll call was presented:

Present:

Morris Deputy, Chair
Representing Middletown
Tyler Reynolds, Alternate
Representing Middletown
Tom Coleman, Vice Chair
Representing Newark
Dave Del Grande, Alternate
Representing Newark
Charles Anderson, Treasurer
Representing Seaford
June Merritt, Alternate
Representing Seaford
Mary DeBenedictis, Secretary
Representing Clayton
Robert Cote, Alternate
Representing Clayton
Sheldon Hudson, Director
Representing Smyrna
Scott Blomquist, Director
Representing the MSC of New Castle
Ken Natale, Alternate
Representing the MSC of New Castle
Kim Bellere, Alternate
Representing Lewes BPW
Mark Whitfield, Director
Representing Milford
Kimberly Schlichting, President
Representing DEMEC

Absent:

Travis Stewart, Alternate
Representing Smyrna
Lou Vitola, Alternate
Representing Milford
Austin Calaman, Director
Representing Lewes BPW

DEMEC Staff Attending: Marty Hale, Director of Human Resources; Tara LaGrassa, Accounting Analyst; Bruce Kitchens, Special Projects Manager; Heather Contant, Director of Government and Community Relations; Stephan Siok, Director of Beasley Plant Operations & Compliance; Mark Pryor, Plant Operator; Chris Manganelli, IT Network Technician; Willie Marshall, Director of Finance; Christine Siok, Executive Assistant; Stephanie Dove, Chief Financial Officer; Kendra Friel, Training & Events Coordinator.

Guests and Attendees: Max Walton, Attorney, Connolly Gallagher; Lincoln Willis, Principal, The Willis Group; Anthony Chipola, Electric Director, City of Milford; Representative William J. Carson; Representative William G. Bush IV.

APPROVAL OF MINUTES

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

1. Minutes of October 12, 2023

Upon motion made by New Castle, to approve the minutes of the meetings of October 12, 2023, seconded by Newark, the motion passed unanimously.

TREASURER'S REPORT

Monthly Financial Report – August 2023 –

Ms. Stephanie Dove, CFO, presented the August 2023 Financial Reports.

In the current finance update, Ms. Dove stated all insurances have been renewed.

The 2024 budget will be presented to the Finance Committee on November 14th for the Board to review on November 27 and approve on December 7th.

Ms. Dove noted that audit preliminary fieldwork is happening next week.

Moody's is conducting an annual portfolio review meeting for the joint action agency sector. This is a credit opinion update which is completed every two (2) years. A report will be ready in May 2024.

There is no foreseen budget amendment through year-end.

Ms. Dove ended with the review of the monthly PJM breakout.

Upon motion made by Seaford, to approve the Monthly Financial Report for August 2023, seconded by Newark, the motion passed unanimously.

PRESENTATIONS

Public Power Week Legislative Tribute

Ms. Heather Contant, Director of Government and Community Relations, introduced Representative Bill Carson and Representative Bill Bush.

Representatives Carson & Bush presented DEMEC with a State of Delaware House of Representatives Tribute for National Public Power Week and recognized DEMEC's new Joint Lineworker Training Yard.

The House of Representatives acknowledged that DEMEC provides safe, reliable, and efficient electricity and employs sound business practices designed to ensure the best possible service at not-for-profit rates.

DEMEC was noted as a dependable and trustworthy institution, offering many consumer protections and continues to make the community a better place. DEMEC's joint lineworker training yard will provide safety training, and the training site will support skilled trades jobs and sustain a strong workforce for local community electric utilities.

The State of Delaware House of Representatives recognized DEMEC for its contributions to the community and for educating customers, owners, policymakers, and employees on the benefits of public power.

APPOINTMENTS/ELECTIONS

None.

RESOLUTIONS

None.

COMMITTEE REPORTS

Executive Committee – Mr. Morris Deputy, Director representing Middletown and Board Chair, stated the Executive Committee met this morning and discussed upcoming job positions, revisions to the personnel manual which will be forthcoming to the Board, and the City of Dover's request to rejoin DEMEC. There were no action items.

Finance Committee – Mr. Charles Anderson, Director representing Seaford and Treasurer, noted the Finance Committee will be meeting on November 14th to review the 2024 budget and a few policies.

PRESIDENT’S REPORTS TO BOARD

Legislative/Regulatory Update

Mr. Lincoln Willis, Principal, The Willis Group, noted that session will start back up in January 2024. An influx of legislation is expected to be filed.

Governor’s Energy Advisory Council Update –

Ms. Kimberly Schlichting, President & CEO, shared that the Governor’s Energy Advisory Council and the four (4) working groups continue to meet monthly. She is working with staff on responses to the recommendations from each working group.

City of Dover Membership –

Ms. Schlichting shared that the City of Dover sent a letter of request to rejoin DEMEC as an associate member. The Board expressed agreement for Dover’s request for associate membership as Ms. Schlichting works on the details.

COMMUNICATIONS & OUTREACH

Ms. Heather Contant, Director of Government and Community Relations, presented the October Communications report. She highlighted that DEMEC, along with the City of Newark and City of Milford, signed a letter of commitment for a joint application to the U.S. Department of Energy for their Energy Futures Grant to help with battery storage planning as a member of the Beneficial Electrification League.

TRAINING & EDUCATION ACTIVITIES

Ms. Kendra Friel, Training and Events Coordinator, presented the November Training and Events report.

SUSTAINABILITY & DEVELOPMENT

Ms. Schlichting stated Mr. Scott Lynch, VP of Asset Development, will be standing on his report.

BUSINESS FROM THE FLOOR

None.

EXECUTIVE SESSION

The Board went into executive session at 10:46 a.m. upon motion by Newark, seconded by New Castle to discuss the following:

1. IT Update
2. To discuss personnel actions, strategic business and commercial generation operations, dispatch, negotiations, and planning.
3. 2024 Personnel Budget
4. 2024 Corporate Goals
5. HR Discussions

RETURN TO REGULAR SESSION

The Board ended executive session and returned to regular session at 11:43 a.m. upon motion by Clayton, seconded by Newark, the motion passed unanimously.

ACTION AFTER EXECUTIVE SESSION

None.

SET NEXT MEETING DATES

The following meeting dates were set:

1. Monday, November 27, 2023 – 10:00 a.m.
2. Thursday, December 7, 2023 - 9:00 a.m.
3. Thursday, January 12, 2024 – 10:00 a.m.
4. Thursday, February 8, 2024 – 10:00 a.m.

ADJOURNMENT

The Board meeting adjourned at 11:43 a.m.