

DELAWARE MUNICIPAL ELECTRIC CORPORATION
ANNUAL MEETING
DEMEC ADMINISTRATIVE BUILDING
SMYRNA, DELAWARE
September 12, 2024

A meeting of the Board of Directors and Representatives of the Delaware Municipal Electric Corporation was held on Thursday, the 12th day of September 2024 at DEMEC's Administrative Building, Smyrna, Delaware.

The meeting was called to order at 10:02 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
David Del Grande, Alternate
Representing Newark
Charles Anderson, Treasurer
Representing Seaford
Torrie James, Director
Representing Smyrna
Ryan Paisley, Director
Representing Clayton
Paul Johnson, Sr., Alternate
Representing Clayton
Scott Blomquist, Director
Representing the MSC of New Castle
Ken Natale, Alternate
Representing the MSC of New Castle
Mark Whitfield, Director
Representing Milford
Anthony Chipola, Alternate
Representing Milford
Austin Calaman, Director
Representing Lewes BPW
Kim Bellere, Alternate
Representing Lewes BPW
David Hugg, III, Representative
Representing Dover
Kimberly Schlichting, President
Representing DEMEC

Absent:

June Merritt, Alternate
Representing Seaford
Travis Stewart, Alternate
Representing Smyrna
Paul Waddell, Alternate
Representing Dover

DEMEC Staff Attending: Maya Krasker, Energy Services Manager; Alex Asencio, Special Projects Manager; Willie Marshall, Director of Finance; Stephanie Dove, Chief Financial Officer; Robert Cote, Senior Vice President of Administration; Stephan Siok, Director of Beasley Plant Operations and Compliance; Kendra Friel, Training & Events Coordinator; Marty Hale, Director of Human Resources; Heather Contant, Director of Government and Community Relations; Scott Lynch, VP of Asset Development; Keri Knorr, Administrative Assistant, Mark Pryor, Operations and Compliance Administrator; Chris Manganeli, IT System Administrator; Christine Siok, Executive Assistant.

Guests and Attendees: Max Walton, Attorney, Connolly Gallagher.

Mr. Deputy began the meeting by welcoming Chief Torrie James, representing the Town of Smyrna, to the table.

APPROVAL OF MINUTES

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

1. Minutes of July 11, 2024
2. Minutes of July 31, 2024
3. Minutes of August 29, 2024

Upon motion made by Clayton, to approve the minutes of the meetings of July 11, 2024, July 31, 2024, and August 29, 2024, seconded by Newark, the motion passed unanimously.

TREASURER'S REPORT

Monthly Financial Report – May and June 2024 –

Ms. Stephanie Dove, CFO, presented the May and June 2024 Financial Reports.

In the current finance update, Ms. Dove reported that the line of credit and letter of credit were renewed on September 5th.

Ms. Dove reviewed the member financing pipeline projects.

DEMEC insurance policies were renewed on September 1st, and the Beasley policies are set to be renewed on October 1st.

Ms. Dove noted that the 2025 budget process has commenced. The load forecasts were sent to members on September 10th, with a due date of October 4th. She requested that any questions be directed to her. There are no anticipated budget amendments for the remainder of the year at this time.

Ms. Dove concluded with a review of the due dates for member audited financial statements.

A brief discussion ensued.

Upon motion made by New Castle, to approve the Monthly Financial Report for May and June 2024, and the Q2 2024 Investment Report, seconded by Lewes, the motion passed unanimously.

PRESENTATIONS

None.

APPOINTMENTS/ELECTIONS

The by-laws of the Corporation require an annual election of Officers of the Corporation. Chairman Deputy presented a slate of current officers who expressed their willingness to serve and then opened the floor for questions or comments. Hearing none, the Board made motion to approve the presented slate; motion made by Newark, seconded by Lewes, the motion passed unanimously.

The Board approved Officers:

Chair:	Morris Deputy, representing Middletown
Vice-Chair:	Thomas Coleman, representing Newark
President:	Kimberly Schlichting, representing DEMEC
Treasurer:	Charles Anderson, representing Seaford
Secretary:	Scott Blomquist, representing New Castle MSC
Assistant Secretary:	Charles Anderson, representing Seaford
Assistant Treasurer:	Scott Blomquist, representing New Castle MSC

Corporate Officers:	Stephanie Dove, CFO (VP)
	Robert Cote, SVP (VP)
	Scott Lynch, VP (VP)

The standing committees and members remain as follows:

Executive Committee:

Morris Deputy, Chair, representing Middletown
Thomas Coleman, Vice Chair, representing Newark

Charles Anderson, Treasurer, representing Seaford
Scott Blomquist, representing New Castle MSC

Finance Committee:

Charles Anderson, Treasurer, representing Seaford
Tyler Reynolds, representing Middletown
David Del Grande, representing Newark

RESOLUTIONS

None.

COMMITTEE REPORTS

Executive Committee – Mr. Deputy reported that the Executive Committee met this morning and reviewed corporate goals. He noted that additional items may be discussed during executive session.

Finance Committee – Mr. Charles Anderson, Director representing Seaford and Treasurer, noted the Finance Committee met on August 20th to review several policies and procedures currently being updated. He also mentioned that the DEMEC Finance staff is drafting an audit RFP, which will be reviewed by the Finance Committee.

PRESIDENT’S REPORTS TO BOARD

Legislative/Regulatory Update –
Details will be discussed in executive session.

Energy Stakeholders Panel Update:

Ms. Kimberly Schlichting, President & CEO, stated that at the last Energy Stakeholders Group meeting, PJM presented on the capacity auction cost impacts. She also noted that the next meeting is scheduled for September 20th, during which the utilities will be invited to present.

A brief discussion ensued.

Annual Dinner Update –

Ms. Schlichting reminded everyone of the upcoming annual dinner scheduled for September 18th, with social hour starting at 5:00 p.m. and dinner at 6:00 p.m. She highlighted that, for the first time, there will be a panel with discussions centered on energy transition, offering perspectives from across the nation. Additionally, the event will celebrate DEMEC’s 45th anniversary with a slideshow showcasing DEMEC’s growth over the years.

Lineworker Apprenticeship Program Certification Update –

Mr. Alex Asencio, Special Projects Manager, reported that the application was submitted on July 18th. He worked closely with each municipality to gather the additional information needed, which has been returned to the project manager at the Delaware Department of Labor (DOL). The DOL is in the process of developing a tailored program for each municipality. Mr. Asencio will continue to provide updates as new information is received.

A brief discussion ensued.

COMMUNICATIONS & OUTREACH

Informational monthly report provided in packets.

TRAINING & EDUCATION ACTIVITIES

Informational monthly report provided in packets.

SUSTAINABILITY & DEVELOPMENT

SEU Value of Solar Study –

Details will be discussed in executive session.

MRPS Report Acceptance –

Details will be discussed in executive session.

Battery Project Proposals and Development Phase –

Details will be discussed in executive session.

Informational monthly reports provided in packets.

BUSINESS FROM THE FLOOR

None.

EXECUTIVE SESSION

The Board went into executive session at 10:23 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. Employee Handbook Update
4. Credit Rating Discussion and Visits

RETURN TO REGULAR SESSION

The Board ended executive session and returned to regular session at 11:24 a.m. upon motion by Newark, seconded by Milford, the motion passed unanimously.

ACTION AFTER EXECUTIVE SESSION

Upon motion made by Newark, to accept the MRPS report as presented in executive session, seconded by New Castle, the motion passed unanimously.

Upon motion made by Newark, to authorize DEMEC's President & CEO to execute project development agreements to perform the Milford hosting capacity study and battery engineering evaluations as presented in executive session, seconded by Milford, the motion passed unanimously.

Upon motion made by Newark, to authorize the use of funds for the Milford battery project as presented in executive session, seconded by Clayton, the motion passed unanimously.

SET NEXT MEETING DATES

The following meeting dates were set:

1. Thursday, October 10, 2024 - 10:00 a.m.
2. Thursday, November 14, 2024 – 10:00 a.m. (*Quarterly meeting, lunch to be provided*)
3. Thursday, December 5, 2024 – 10:00 a.m.

ADJOURNMENT

The Annual meeting adjourned at 11:26 a.m.