

DELAWARE MUNICIPAL ELECTRIC CORPORATION
REGULAR MEETING
DEMEC ADMINISTRATIVE BUILDING
SMYRNA, DELAWARE
October 10, 2024

A meeting of the Board of Directors and Representatives of the Delaware Municipal Electric Corporation was held on Thursday, the 10th day of October 2024 at DEMEC's Administrative Building, Smyrna, Delaware.

The meeting was called to order at 10:01 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
Torie James, Director
Representing Smyrna
Ryan Paisley, Director
Representing Clayton
Paul Johnson, Sr., Alternate
Representing Clayton
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
Kimberly Schlichting, President
Representing DEMEC

Absent:

Travis Stewart, Alternate
Representing Smyrna
Scott Blomquist, Director
Representing the MSC of New Castle
Dave Hugg, Representative
Representing Dover
Paul Waddell, Alternate Representative
Representing Dover

DEMEC Staff Attending: Stephanie Dove, Chief Financial Officer; Robert Cote, Senior Vice President of Administration; Stephan Siok, Director of Beasley Plant Operations and Compliance; Marty Hale, Director of Human Resources; Heather Contant, Director of Government and Community Relations; Scott Lynch, VP of Asset Development; Mark Pryor, Operations and Compliance Administrator; Chris Manganeli, IT System Administrator; Christine Siok, Executive Assistant; Maya Krasker, Energy Services Manager; Alex Asencio, Special Projects Manager; James Cerase III, IT Network Technician; Tara LaGrassa, Accounting Analyst; Willie Marshall, Director of Finance.

Guests and Attendees: Brian Lee, Executive Director of Portfolio Strategy, ACES; Max Walton, Attorney, Connolly Gallagher; Lincoln Willis, Principal, The Willis Group.

APPROVAL OF MINUTES

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

1. Minutes of September 12, 2024

Upon motion made by New Castle, to approve the minutes of the meetings of September 12, 2024, seconded by Milford, the motion passed unanimously.

TREASURER'S REPORT

Monthly Financial Report – July 2024 –

Ms. Stephanie Dove, CFO, presented the July 2024 Financial Reports.

In the current finance update, Ms. Dove reported that all Series 2019 debt service payments, due on October 1st, were paid timely on September 20th.

The Beasley insurance policies through the O&M Contractor were renewed on October 1st.

Ms. Dove noted that the 2025 budget process has commenced. There are no anticipated budget amendments for the remainder of the year.

Ms. Dove reviewed the member financing pipeline projects with a potential addition.

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

Upon motion made by Newark, to approve the Monthly Financial Report for July 2024, seconded by Seaford, the motion passed unanimously.

APPOINTMENTS/ELECTIONS

None.

PRESENTATIONS

Ms. Kimberly Schlichting, President and CEO, introduced Brian Lee, Executive Director of Portfolio Strategy, ACES.

Mr. Lee provided an overview of Load Deliverability Areas (LDAs) and more specifically the DPL-South and the DPL LDA.

Mr. Lee discussed the PJM zones and locational deliverability areas, and the 2024/2025 BRA LDA capacity prices and zonal load prices. A brief discussion followed.

RESOLUTIONS

None.

COMMITTEE REPORTS

Executive Committee – Mr. Deputy stated that the Executive Committee met this morning and reviewed the President and CEO’s evaluation which will be discussed during executive session.

Finance Committee – Mr. Charles Anderson, Director representing Seaford and Treasurer, noted the Finance Committee has not met and therefore has no report.

PRESIDENT’S REPORTS TO BOARD

Legislative/Regulatory Update –

Mr. Lincoln Willis, Principal, The Willis Group, provided an update on the primary elections, and noted that the general elections are scheduled for November 5th.

Annual Dinner Update –

Ms. Schlichting thanked everyone for attending the annual dinner, highlighting that it was well attended and received positive feedback. She invited any suggestions for next year’s event.

Transmission/Distribution Planning Meeting –

Ms. Schlichting announced that meetings with Delmarva Power will resume soon and a survey regarding potential dates will be forthcoming. She noted that if you are unable to attend, you should arrange for a representative to attend in your place to advocate on behalf of your utility.

Joint Training Yard –

Ms. Schlichting reported that progress on the certification is ongoing. She also noted that the City of Dover has recently installed the transformers, meters, and underground cables at the training yard.

Ms. Schlichting noted that we are hoping to hold our first Lineworkers Rodeo next fall.

She also thanked Ms. Kendra Friel, Training and Events Coordinator, for doing an excellent job organizing the Tool and Truck Expo; which was the most well-attended Tool and Truck Expo to date and was well received.

Ms. Schlichting expressed gratitude to everyone for their prompt responses to the mutual aid request for assistance in Florida due to Hurricane Milton. She noted that two crews, one from Newark and one from New Castle, have already been deployed to Orlando, Florida, to provide restoration services. Additionally, a crew from the City of Milford is planning to deploy tomorrow.

Ms. Schlichting also announced that Mr. Mark Whitfield, Director, representing the City of Milford, will be retiring at the end of April 2025. She expressed her gratitude for his guidance and support as a board director and shared that he will be greatly missed.

2025 Corporate Goals –

Ms. Schlichting noted that the proposed 2025 Corporate Goals were included in board packets. She will highlight the top 5 priority goals as requested by the Executive Committee.

Upon motion made by Clayton, to approve the 2025 Corporate Goals, seconded by Newark, the motion passed unanimously.

COMMUNICATIONS & OUTREACH

Informational monthly report provided in packets.

TRAINING & EDUCATION ACTIVITIES

Informational monthly report provided in packets.

SUSTAINABILITY & DEVELOPMENT

Informational monthly reports provided in packets.

BUSINESS FROM THE FLOOR

None.

EXECUTIVE SESSION

The Board went into executive session at 10:35 a.m. upon motion by Newark, seconded by Milford, to discuss the following:

1. IT Update
2. Employee Handbook Update
3. To discuss personnel actions, strategic business and commercial generation operations, dispatch, negotiations, and planning.
 - a. NERC Update
 - b. President/CEO Annual Evaluation and Benefits Discussion

RETURN TO REGULAR SESSION

The Board ended executive session and returned to regular session at 11:48 a.m. upon motion by Newark, seconded by Seaford, the motion passed unanimously.

ACTION AFTER EXECUTIVE SESSION

Upon motion made by Seaford, to approve the Employee Handbook as presented, seconded by Newark, the motion passed unanimously.

SET NEXT MEETING DATES

The following meeting dates were set:

1. Thursday, November 14, 2024 – 10:00 a.m. (*Quarterly meeting*)
2. Thursday, December 5, 2024 – 9:00 a.m. (*Holiday Open House to follow*)
3. Thursday, January 9, 2025 - 10:00 a.m.

ADJOURNMENT

The Board meeting adjourned at 11:50 a.m.