

DELAWARE MUNICIPAL ELECTRIC CORPORATION
REGULAR MEETING
Remotely Via Microsoft Teams
January 9, 2025

A meeting of the Board of Directors and Representatives of the Delaware Municipal Electric Corporation was held on Thursday, the 9th day of January 2025 remotely via Microsoft Teams.

The meeting was called to order at 10:00 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
June Merritt, Alternate
 Representing Seaford
Ryan Paisley, Director
 Representing Clayton
Paul Johnson, Sr., Alternate
 Representing Clayton
Scott Blomquist, Secretary
 Representing the MSC of New Castle
Ken Natale, Alternate
 Representing the MSC of New Castle
Anthony Chipola, Alternate
 Representing Milford
Kim Bellere, Director
 Representing Lewes BPW
Robin Davis, Alternate Director
 Representing Lewes BPW
Dave Hugg, Representative
 Representing Dover
Paul Waddell, Alternate Representative
 Representing Dover
Kimberly Schlichting, President
 Representing DEMEC

Absent:

Torrie James, Director
Representing Smyrna
Travis Stewart, Alternate
Representing Smyrna
Mark Whitfield, Director
Representing Milford

DEMEC Staff Attending: Stephanie Dove, Chief Financial Officer; Robert Cote, Senior Vice President of Administration; Scott Lynch, VP of Asset Development; Heather Contant, Director of Government and Community Relations; Willie Marshall, Director of Finance; Tara LaGrassa, Accounting Analyst.

Guests and Attendees: Jeffrey Martindale, Assistant City Manager, City of Newark; Louis Vitola, Finance Director, City of Milford; Max Walton, Attorney, Connolly Gallagher.

APPROVAL OF MINUTES

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

1. Minutes of December 5, 2024

Upon motion made by New Castle, to approve the minutes of the meeting of December 5, 2024, seconded by Lewes, the motion passed unanimously.

TREASURER'S REPORT

Monthly Financial Report – October 2024 –

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

In the current finance update, Ms. Dove noted that discussions regarding the Member Financial Assessment will take place later in the meeting. She mentioned the goal is to adopt the assessment in Q1 2025, following discussions with the credit rating agencies last year.

Ms. Dove reviewed the member financing projects pipeline.

Ms. Dove reported that the Series 2021 and 2022 debt service payments were made on time.

The final audit fieldwork is scheduled for the week of March 3, 2025. As part of DEMEC's due diligence, an Audit RFP was issued this week with final responses due by February 10th. More information will be provided as we prepare a recommendation.

Ms. Dove concluded with a review of the due dates for member audited financial statements. She reminded everyone that these statements are due within six (6) months of the member's fiscal year end.

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

APPOINTMENTS/ELECTIONS

None.

PRESENTATIONS

None.

RESOLUTIONS

None.

COMMITTEE REPORTS

Executive Committee – Mr. Deputy stated that the Executive Committee did not meet this morning.

Finance Committee – Mr. Charles Anderson, Director representing Seaford and Treasurer, reported that nine (9) audit RFPs have been sent out. Additionally, the draft Member Financial Assessment was included in packets, and he requested feedback from the board.

Ms. Dove addressed several questions that had been raised by the board in advance.

A brief discussion ensued.

Ms. Dove encourages any additional questions and comments, as she plans to review the assessment in more detail during the February board meeting.

PRESIDENT’S REPORTS TO BOARD

Legislative/Regulatory Update –

Ms. Kimberly Schlichting, President and CEO, noted that the first day of session will be Tuesday, January 14th. A copy of the welcome letter, which will be distributed to legislators as they return to session, was included in board packets.

Ms. Heather Contant, Director of Government and Community Relations, presented on the 2025 Expected Energy Legislation, highlighting that draft language has been developed for the Time of Use (TOU) Rate Study and the Energy Storage Program Study Resolutions. The TOU study draft would require all Delaware electric utilities to participate in a study being led by the Delaware Public Service Commission. The Energy Storage Program Study Resolution will be a research study led by the Delaware Sustainable Energy Utility, focusing on the cost benefit of energy storage technology.

A brief discussion ensued.

Additionally, Ms. Contant reported that a press release from the Governor-elect's office has been issued, nominating Greg Patterson as the Department of Natural Resources and Environmental Control (DRNEC) Secretary.

Light Up Navajo VI –

Ms. Schlichting stated that volunteers need to be identified for Light Up Navajo VI. Currently, there are two (2) volunteers from the City of Newark, and two (2) from the City of Dover. She sought recommendations for a few alternates.

COMMUNICATIONS & OUTREACH

Informational monthly report provided in packets.

TRAINING & EDUCATION ACTIVITIES

Informational monthly report provided in packets.

SUSTAINABILITY & DEVELOPMENT

Informational monthly report provided in packets.

BUSINESS FROM THE FLOOR

None.

EXECUTIVE SESSION

The Board went into executive session at 10:58 a.m. upon motion by Newark, seconded by New Castle, to discuss the following:

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

RETURN TO REGULAR SESSION

The Board ended executive session and returned to regular session at 11:26 a.m. upon motion by Newark, seconded by Lewes, the motion passed unanimously.

ACTION AFTER EXECUTIVE SESSION

None.

SET NEXT MEETING DATES

The following meeting dates were set:

1. Thursday, February 13, 2025 – 10:00 a.m. (*Quarterly meeting*)
2. Thursday, March 13, 2025 – 10:00 a.m.
3. Thursday, April 10, 2025 - 10:00 a.m.

ADJOURNMENT

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