

DELAWARE MUNICIPAL ELECTRIC CORPORATION  
**QUARTERLY MEETING**  
DEMEC ADMINISTRATIVE BUILDING  
SMYRNA, DELAWARE  
**February 13, 2025**

A meeting of the Board of Directors and Representatives of the Delaware Municipal Electric Corporation was held on Thursday, the 13<sup>th</sup> day of February 2025 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  
Jill Hollander, Alternate  
Representing Newark  
Charles Anderson, Treasurer  
Representing Seaford  
Ryan Paisley, Director  
Representing Clayton  
Paul Johnson, Sr., Alternate  
Representing Clayton  
Torrie James, Director  
Representing Smyrna  
Scott Blomquist, Secretary  
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  
Kim Bellere, Director  
Representing Lewes BPW  
Kimberly Schlichting, President  
Representing DEMEC

Absent:

June Merritt, Alternate  
Representing Seaford

Robin Davis, Alternate Director  
Representing Lewes BPW  
Dave Hugg, Representative  
Representing Dover  
Paul Waddell, Alternate Representative  
Representing Dover

DEMEC Staff Attending: Diane Kearns, Human Resources Director; Chris Manganelli, IT System Administrator; Christine Siok, Executive Assistant; Maya Krasker, Energy Services Manager; Keri Knorr, Administrative Assistant; Kendra Friel, Training and Events Coordinator; Alex Asencio, Special Projects Manager; Tara LaGrassa, Accounting Analyst; 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; Heather Contant, Director of Government and Community Relations; Scott Lynch, VP of Asset Development; Mark Pryor, Operations and Compliance Administrator.

Guests and Attendees: Kevin Gaboriault, Director of Finance, City of Milford; Zachary O’Grady, Director, PFM Asset Management; Max Walton, Attorney, Connolly Gallagher.

Mr. Deputy began the meeting by welcoming Ms. Jill Hollander, the new Director of Finance for the City of Newark, and Mr. Kevin Gaboriault, the new Director of Finance for the City of Milford.

### **APPROVAL OF MINUTES**

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

1. Minutes of January 9, 2025

Upon motion made by New Castle, to approve the minutes of the meeting of January 9, 2025, seconded by Milford, the motion passed unanimously.

### **TREASURER’S REPORT**

#### **Monthly Financial Report – November 2024 –**

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

In the current finance update, Ms. Dove noted that discussions regarding the Member Financial Assessment Program will take place later in the meeting.

Ms. Dove reviewed the member financing projects pipeline.

Ms. Dove reported that a finance training session, titled “Fun with Budget,” was held a few weeks ago with DEMEC staff. The presentation from the workshop is available in packets. Additionally, a virtual Load Forecasting meeting is scheduled for February 26<sup>th</sup>. Another load forecasting questionnaire will be distributed next week in preparation for the training.

The deadline for the audit RFP update responses was February 10<sup>th</sup>, and two (2) responses were received. These responses will be reviewed at the next Finance Committee meeting.

The final audit fieldwork is scheduled for the week of March 3<sup>rd</sup>.

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

Upon motion made by Seaford, to approve the Monthly Financial Report for November 2024 and the Q4 2024 Investment Report, seconded by Clayton, the motion passed unanimously.

### **APPOINTMENTS/ELECTIONS**

None.

### **PRESENTATIONS**

#### Annual Investment Portfolio Presentation

Mr. Zachary O’Grady, Director, PFM Asset Management, presented on the annual investment portfolio.

### **RESOLUTIONS**

None.

### **COMMITTEE REPORTS**

Executive Committee – Mr. Deputy reported that the Executive Committee met this morning and reviewed the update on the compensation study.

Finance Committee – Mr. Charles Anderson, Director representing Seaford and Treasurer, reported that the next Finance Committee meeting is scheduled for February 18<sup>th</sup>. There have been focused discussions on the draft Member Financial Assessment Program. Mr. Anderson also expressed gratitude to the Finance Committee staff for their diligent work on both the Member Financial Assessment Program and the audit RFP.

Mr. Deputy reported that the Finance Committee appointment is being presented due to the departure of David Del Grande, representing Newark. The floor was then opened for questions or comments. Hearing none, upon motion made by Seaford, to appoint Kendrick Natale, representing MSC of the City of New Castle, to the Finance Committee; seconded by Milford, the motion passed unanimously.

### **EXECUTIVE SESSION**

The Board went into executive session at 10:27 a.m. upon motion by New Castle, seconded by Clayton, to discuss the following:

1. IT Update
2. IR Update
3. Office Space Update
4. To discuss personnel actions, strategic business and commercial generation operations, dispatch, negotiations, and planning.
  - a. NERC Update
  - b. IRP/Generation Exploration Update
  - c. Succession Plan Update
5. Member Financial Assessment Program

### **BREAK FOR LUNCH**

The Board broke for lunch at 12:11 p.m.

### **EXECUTIVE SESSION**

The Board returned to executive session at 12:58 p.m.

### **RETURN TO REGULAR SESSION**

The Board ended executive session and returned to regular session at 1:03 p.m. upon motion by Newark, seconded by Smyrna, the motion passed unanimously.

### **PRESIDENT'S REPORTS TO BOARD**

#### Recognition of New Employee –

Ms. Kimberly Schlichting, President & CEO, introduced DEMEC's new employee listed below, offering a brief biography.

Ms. Diane Kearns, Human Resources Director

#### Legislative/Regulatory Update –

Ms. Schlichting announced that the Legislative Rally will take place from February 26<sup>th</sup> through February 28<sup>th</sup>. She also mentioned that Ryan Paisley, representing Clayton, will be attending the Legislative Rally. She encouraged other board members to inform her if they wish to attend in the future, and she will make the necessary arrangements.

Ms. Heather Contant, Director of Government and Community Relations, stated that the legislators are currently on a five (5) week break for joint finance hearings and will return on March 11<sup>th</sup>.

Ms. Contant provided the 2025 Expected Energy Legislation, highlighting the ongoing SEU Value of Solar study and noting that discussions continue. She also stated that additional legislation is being discussed on the Energy Generation Siting Commission Appeal Board, particularly focused on land use.

It was also reported that on February 24<sup>th</sup>, the House and Senate will hold a Joint Energy Committee meeting where PJM and Reliability First will present on the capacity issues and reliability.

A brief discussion ensued.

#### Light Up Navajo VI –

Ms. Schlichting stated that a crew of four (4) that will be heading to Light Up Navajo VI from April 26<sup>th</sup> through May 4<sup>th</sup> in Shiprock, New Mexico. She is still seeking recommendations for a few alternates.

#### Lineworker Training Yard and Program –

Mr. Alex Asencio, Special Projects Manager, provided an overview of the program metrics and upcoming CY 2025 lineworker training. He also shared that the Lineworker training program has been selected as one of the finalists for the 2025 Delaware Chamber of Commerce Superstars in Education and Training Award. Additionally, DEMEC will meet with the Delaware Chamber of Commerce staff on February 18<sup>th</sup> to present the program and deliver a live demonstration of the training with Dover and Smyrna volunteering.

Mr. Asencio provided updates on the Department of Labor certification and also shared the progress on the continued development of the training yard. He also noted that planning is underway for DEMEC's Lineworker Rodeo, scheduled for September 27<sup>th</sup> with a rain date of September 28<sup>th</sup>, and it will be open to members only.

A brief discussion ensued.

#### APPA National Conference –

Ms. Schlichting announced that registration is now open for the APPA National Conference, which will take place from June 6<sup>th</sup> through June 11<sup>th</sup> in New Orleans, Louisiana. The conference agenda is available in packets. If you are interested in attending, please notify Ms. Christine Siok, Executive Assistant.

#### New Innovation –

Ms. Schlichting shared her experience riding in the Waymo Autonomous Vehicle, a self-driving car, during the APPA Joint Action Agency Conference in Phoenix, Arizona.

### **COMMUNICATIONS & OUTREACH**

Ms. Contant presented the January 2025 Communications report, providing updates on the Energy Stakeholders meetings, the Delaware Department of Natural Resources and Environmental Control (DNREC) 40101D Grant, and social media reach and engagement. She also announced that DEMEC Day is scheduled for March 26<sup>th</sup> and encouraged board members to attend and extend invitations to their mayors and council members. Additionally, she mentioned that an Apogee Refresher webinar will be held on February 20<sup>th</sup> with customer service and communications staff.

## **TRAINING & EDUCATION ACTIVITIES**

Ms. Kendra Friel, Training and Events Coordinator, presented the January 2025 Training and Events report, providing an overview of the training sessions and newly added on-demand webinars in the Learning Management System (LMS). She also conducted a live demonstration, showcasing how to use the filter features, search the library, and utilize the search box with key words in LMS.

## **SUSTAINABILITY & DEVELOPMENT**

Ms. Maya Krasker, Energy Services Manager, provided an in depth overview of various aspects of hydrogen. She also presented on the January 2025 Sustainability and Development report, providing an update on recent industry meetings attended.

Mr. Scott Lynch, VP of Asset Development, provided an overview of the Smart Energy Provider (SEP) Designation and encouraged anyone interested in submitting an application to reach out to him.

Mr. Lynch provided an overview of the University of Delaware Fellowship Research and sought the Board's recommendations on how students should present their research. The Board recommended that students present their research work once it has been finalized.

## **BUSINESS FROM THE FLOOR**

Mr. Thomas Coleman, Director representing Newark, brought up concerns about the timeline received from the Transmission Owner for completing the new City of Newark substation.

## **SET NEXT MEETING DATES**

The following meeting dates were set:

1. Thursday, March 13, 2025 – 10:00 a.m.
2. Thursday, April 10, 2025 - 10:00 a.m.
3. Thursday, May 8, 2025 - 10:00 a.m. (*Quarterly meeting*)

## **ADJOURNMENT**

The Board meeting adjourned at 2:38 p.m.