

Delaware Sustainable Energy Utility
Oversight Board Meeting Minutes
May 17, 2024 – 9:00 am – Zoom

Members present were Senator Harris McDowell, Senator Trey Paradee, Ruth Price, Ric Moore, Sean Finnigan, Tom Noyes, Michael Chajes, and Kristopher Knight. Also present was Drew Slater.

Welcome

Senator McDowell called the meeting to order at 9:01 am.

1. Approval of Minutes

- a. Oversight Board Meeting Minutes – March 15, 2024. Drew Slater presented the minutes of the March 15, 2024, Oversight Board Meeting.

Tom Noyes made a motion to approve the minutes of the March 15, 2024, Oversight Board Meeting Minutes. Sean Finnigan seconded the motion, and the motion unanimously carried.

2. SEU Business

- a. FY25 Budget –

Mr. Slater presented the overall changes, cash reserve balance, revenue adjustments, and expenses of the proposed budget for FY 2024-2025.

Ric Moore presented a concern and stated that SEU should have budget material that is more viable for policy discussion. Mr. Moore suggested budget material that reflects how the objectives of SEU's mission are being fulfilled in different categories such as energy emissions reduction, employment, economy, etc.

Mr. Knight supported Mr. Moore's suggestion.

Mr. Slater accepted the suggestions and stated the budget material will be modified to reflect the suggestions made.

Ric Moore made a motion to approve the overall changes, cash reserve balance, revenue adjustments and expenses of the proposed budget for FY 2024-2025, with the expectation that the suggestions on budget material be implemented. Sean Finnigan seconded the motion, and the motion unanimously carried.

- b. Contracts –

Mr. Slater presented the Contracts for Energize Delaware Program Offerings, Technical Assistance Services and other Support Services in FY 25.

Mr. Slater stated that each year, the status of SEU's contracts are reviewed. Over the last few years, SEU has been exercising Article 3 – Period of Performance extensions in standard contracts on annual basis in (1) year increments by agreement in writing by both parties. Mr. Slater stated that extensions were negotiated with rates, scopes of work, budgets and reporting

requirements and extended using a “contract letter extension”. Mr. Slater stated that it is more appropriate to enter new contracts with each of SEU’s program partners each fiscal year as SEU operates on a zero-based budget and funding for program and fiscal year needs to be approved by the DESEU Board on a fiscal year basis.

Sean Finnigan made a motion to approve the contracts for Energize Delaware Program Offerings, Technical Assistance Services, and Other Support Services in FY 25 and the modifications presented for contracts. Ric Moore seconded the motion, and the motion unanimously carried.

c. Budget Amendments –

Mr. Slater presented notes of the revised FY 24 budget supporting the anticipated program utilization through the remainder of the fiscal year and its overall changes, cash reserve balance, revenue adjustments, and expenses.

Ric Moore made a motion to accept the Revised FY 24 Budget. Sean Finnigan seconded the motion, and the motion unanimously carried.

d. Employee Handbook –

Mr. Slater stated that it has been an organizational goal of SEU to review and update the Employee Handbook, as well as other policies and procedures. Mr. Slater informed the Board that SEU has contracted with Blackwell HR Solutions to assist in the process of updating dated policies and the compilation of policies and employee handbook into one single document.

The comprehensive handbook covers SEU’s Guiding Principles, General Operations, Compensation Plan, Benefits, Leave Policies and other overarching policies such as Equal Employment Opportunity, Affirmative Action, a newly added Diversity, Equity and Inclusion (DEI) policy, added description of QSEHRA benefits, Pregnancy/Maternity/Paternity Accommodations & Leave, Drug-Free and Alcohol-Free Workplace to include policies regarding use of medical marijuana, Workplace Violence, Whistleblower Policy, and a more formalized remote work and flexible schedule policy. This handbook is considered final other than any potential grammatical or formatting edits.

Ric Moore made the motion to approve the Employee Handbook presented as a report with approval to publish, as he stated that the Employee Handbook was not reviewed and discussed previously. Sean Finnigan seconded the motion, and the motion unanimously carried.

e. Value of Solar Study –

Mr. Slater stated that the Senate Joint Resolution 3 directed all electric utilities in Delaware to work with DESEU on a Value of Solar Study to determine the costs and benefits of net-metered solar and the cost burden on non-solar customers. The resolution required a Request for Information (RFI) and Request for Proposals (RFP) process. SEU has completed the RFI and has received four inquiries addressing questions SEU developed in coordination with posed questions to SEU as the organization moves forward with an RFP. SEU has sought input from the Value of Solar Study group as outlined in SJR3. Based on responses to the RFI, it is believed that the research cost to be in the range of \$250,000 - \$1,000,000, depending on data complexities and time commitment.

Mr. Slater is seeking approval from the Board to enter into a contract based on RFP responses.

Ric Moore made a motion to approve the Executive Director enter into a contract with the selected contractor after full evaluation of RFP applications. Sean Finnigan seconded the motion, and the motion carried unanimously.

3. Reports

- a. Executive Director Report
- b. Program Activity Report
- c. Budget Report

Mr. Slater presented the Executive Director, Program Activity, and Budget Reports to the Board.

4. New/Old Business – N/A

4. Executive Session

Ric Moore made the motion to enter executive session. Sean Finnigan seconded the motion, the motion unanimously carried, and executive session began at 10:10 am.

Public Comment – N/A

Adjourn

Agenda is subject to change. During the course of the public meeting, the Board may vote on whether to conduct an executive session to consider confidential and proprietary business before the Board, and such executive session will not be open to the public, pursuant to 29 Delaware Code § 1004. The executive session may address matters involving the discussion of the content of documents excluded from the definition of "public record," or which involve the potential for litigation. Participation by teleconference will be available to Board members.