

Delaware Sustainable Energy Utility
Oversight Board Meeting Minutes
January 17, 2025 – 9:00 am, via Zoom

<https://us02web.zoom.us/j/84771576162?pwd=mTSJ0ARKqNDVmwmlMEpPYEI3CRxPd2.1>

Welcome

1. Approval of Minutes
 - a. Oversight Board Meeting Minutes – November 14, 2024

Drew Slater presented the Oversight Board Minutes of the November 14, 2024, Meeting.

Ruth Price made a motion to approve the minutes of November 14, 2024, Oversight Board Meeting Minutes. Ric Moore seconded the motion, and the motion carried unanimously.

2. SEU Business
 - a. Contracts
 - i. EnSave – Farm Program

Drew Slater stated the Energize Delaware Farm Program has been a key initiative in supporting local farmers through audits, assessments and financing. The program has been managed internally, but the demand for the services have increased. To address the farmers interested in the Energize Delaware program, Drew is seeking approval from the Board to enter a contract with EnSave to manage the farm program.

EnSave has already begun engaging with farmers and has signed up ten audits to be completed. EnSave are experts in conducting audits and have an understanding Energize Delaware’s Commercial Loan Program. Energize Delaware currently has a Farm Program budget of \$350, 000.

Ritchie Jones made a motion to approve the executive director enter a contract with EnSave to manage the farm program through the remainder of the fiscal year, subject to the current farm program budget of \$350,000. Senator Hansen seconded the motion, and the motion carried unanimously.

- ii. Foundation for Renewable Energy & Environment

Drew Slater is seeking approval to enter a three-phase contract with the Foundation for Renewable Energy and Environment (FREE) up to \$150,00 to develop a community planning tool for utilization by the DESEU.

Drew stated that interactive community planning tool will create a multi-dimensional view of communities in our state to better assess their needs and help coordinate programs. These could include workforce development needs, GIS mapping, scenario analysis of possible energy community development needs, and progress tracking of state and DESEU goals and metrics.

Through the proposed partnership, Drew hopes to create an Energy Improvement District dashboard accessible to all – like the Transportation Improvement District dashboard. This could help identify energy grid updates in preparation for the future load growth, and the electrification transition of

customers to winter peak systems.

Ric Moore stated he has on multiple occasions made a proposal on community focus and asked if this effort is in response to those requests. He stated he fully endorses the effort with FREE. Mr. Moore stated that he has in the past raised concerns on issues that could materialize and become more important after January 20, 2025 (Presidential Inauguration).

Drew responded to Mr. Moore and stated that this is a small part of the community efforts that need to take place and suggested that he and Mr. Moore meet to discuss ideas that could be expanded.

Senator Hansen made a motion to approve The Executive Director entering a contract with the Foundation for Renewable Energy and Environment in the amount of \$150,000, with the contract being reviewed annually. Sean Finnigan seconded the motion, and the motion carried unanimously.

iii. National Wildlife Federation

Energize Delaware's most difficult initiatives is "Natural Climate Solutions and Conservation". We have an opportunity to work with two organizations to help achieve goals and promote natural climate solutions and conservation.

Energize Delaware has a proposal from the National Wildlife Federation (NWF) to advance their Sacred Grounds program statewide. The program supports houses of worship and faith communities in addressing climate change through conservation landscaping.

From 2022-2023, NWF partnered with 21 houses of worship in the greater Wilmington areas. While funding has been secured for additional gardening in New Castle County, Energize Delaware can increase funding to provide the program statewide.

Drew presented the proposal of native plant gardens would include:

- Supplies and materials for 10x750 square foot gardens
- Six native trees/shrubs per garden
- Educational and Communication signage and campaign
- Professional maintenance for one year after installation

Ric Moore inquired why the partnership with DE Interfaith Power + Light Program was terminated.

Drew responded that one of the NWF Partners is DE Interfaith Power + Light. A challenge that the DE Interfaith Power + Light experiences is staffing issues throughout the state. In partnering with NWF, Energize Delaware will be placing the Faith Efficiency program under an umbrella with NWF to create the potential if partnering with additional community focused programs statewide.

Suzanne Sebastian added that there were duplicate efforts within Energize Delaware programs, however, faith-based communities are still being served through other programs under Energize Delaware.

Senator Hansen stated she recently attended the Appoquinimink Engineering Fair, where students create and showcase various projects. She stated there were two students that address water management with native plants and solutions to drainage issues. Senator Hansen stated that those students should be further recognized for their efforts and suggested that she possibly finds a way to connect those students to Mrs. Sebastian in hopes of receiving recognition from Energize Delaware. Senator Hansen also suggested that perhaps volunteers for future efforts can be recruited from those

types of events.

Drew stated that it is a great idea, and a potential opportunity to seek volunteers through Energize Delaware's Pathways to Green Schools Program, that allows grants of up to \$6,000 for schools statewide.

Tom Noyes added he would like to join in the efforts of recognition to those students.

Ric Moore stated that teaching has been for the past year, and one of the things he has found is that the need to do a much better job at promoting the efforts of Energize Delaware and integrate it into the school system. He suggested that Energize Delaware collaborate with the Department of Education to create actual pathways to these efforts, and it should begin at the middle school level and extend through high school. He stated these efforts should be more formalized.

Ric Moore made a motion to approve the Executive Director enter a contract with the National Wildlife Federation up to \$187,000 to install 15 native plant gardens statewide. Sean Finnigan seconded the motion, and the motion carried unanimously.

iv. Center for the Inland Bays

Energize Delaware is presented with an opportunity, like the NWF contract proposal with the Center for the Inland Bays to help achieve Energize Delaware's "Natural Climate Solutions and Conservation Initiative.

Drew stated the proposal is a three-year reforestation-based workforce development internship program studying scalable methods to improve carbon storage soil in young forests. Recent experiments with novel approaches to reforestation in the mid-Atlantic have shown rates of carbon accumulation in the soil rivaling the most effective-carbon-sequestration ecosystems. If this effect is repeatable, they could result in quicker carbon removal from the atmosphere, which could improve soil carbon storage over 30 to 60 years.

The proposal would modify existing reforestation and future reforestation with continuing to explore the capacity of reforestation to sequester soil carbon with and without amendments and with and without novel planting.

The work would be completed in three phases:

- Phase one of the study will evaluate projects to determine the scale of potential soil carbon storage in Delaware's sandy soils.
- Phase 2 will select a subset of these young forest and establish experimental blocks to examine how amendments, forest management (such as removal of non-native plants or thinning of aggressive native species), and supplemental planting will affect carbon sequestration.
- Phase 3 will include modification with new plantings. In 2024, the Center planted nearly 30 acres and will plant another 11 acres in the near future. They are likely to continue planting dozens of acres in the next decade. If these acres can sequester more soil carbon than traditional reforestation, we could store up to three times more carbon.

Senator Hansen made a motion to approve the Executive Director enter into a contract with the Center for the Inland Bays up to \$90,000 to begin Phase One of the reforestation and studying efforts. Ric Moore seconded the motion and the motion carried unanimously.

b. Budget

i. Upfront SREC purchase

In the fiscal year 2024 budget, a line item was allocated for upfront purchases of Solar Renewable Energy Credits (SRECs). This line item provided flexibility to commercial solar customers, allowing them to make an upfront purchase of their SRECs instead of participating in the auction or retaining them.

Last year's budget allocated \$1 million for this program, which was not extensively utilized. However, several commercial solar projects considered participating. With the growing interest in the program, Drew proposed reinstating the SREC prebuy program for commercial installations.

Richie Jones made a motion to approve the Executive Director restarting the upfront SREC purchase program with a budget of \$1million. Ric Moore seconded the motion, and the motion carried unanimously.

ii. Energy Storage grant

Drew presented the Energy Storage System (ESS). ESS is a technology that facilitates the storage of energy generated from diverse sources, both renewable and grid-provided. The stored energy can serve as a means of balancing electrical supply by accumulating excess energy during peak production periods and releasing it during periods of high demand.

Currently there are no utility-owned battery energy storage projects in Delaware. However, Delmarva Power, the Delaware Electric Cooperative, and the Delaware Municipal Electric Corporation are actively exploring the potential of battery energy storage within their respective territories.

Ric Moore raised a concern of why Energize Delaware is funding the organizations if the mission of Energize Delaware is to challenge the utilities and support more of what will benefit communities directly. He stated he does not understand the logic of providing utilities with \$3 million.

Drew responded that it would provide the utilities funding to allow energy storage projects to move forward. Drew stated the need for utilities to learn about battery storage is imminent, and if the utilities were to move forward on their own, it would take much longer than if they were to receive help from Energize Delaware. Drew also stated this effort could help defer high costing efficiency upgrades for the organizations.

Ritche Jones added that the utility organizations are the entities with the capital with the ability to perform the proposed projects.

Tom Noyes added this effort is a larger strategy of the State Energy Plan, which was rolled out a month ago. The State Energy Plan has five key components; energy justice, renewable and clean technology, energy efficiency and beneficial electrification, and grid modernization – which is where this efforts fits into.

Senator Hansen added that there is a legislation energy storage study that supports the points the Tom Noyes presented.

Ric Moore requested the minutes of the meeting reflect the discussion above.

Sean Finnigan made a motion to approve the Executive Director provide grants to Delmarva Power,

Delaware Electric Cooperative, and the Delaware Municipal Electric Corporation for a total of \$3 million. Senator Hansen seconded the motion, and the motion carried unanimously.

iii. Rock Dust Pilot Program

Energize Delaware was able to assist Trap Rock Industries, a quarry stone minning company, perform audits of their facilities in New Jersey through Energize Delaware's partnership with the University of Delaware Industrial Assessment Center.

There is evidence that the Rock Dust Pilot Program can neutralize phosphorus. Drew is working with the poultry industry to study the effects of rock dust on poultry litter. The lime could increase the pH of chicken litter, reduce nitrogen, and neutralize acid. Additional study is needed to determine its effects and potential drawbacks, such as ammonia volatilization.

Senator Hansen suggested that Energize Delaware makes sure that DNREC tests the products and is provided all the testing needed to eliminate liabilities.

Ric Moore made a motion to approve the Executive Director pilot this research utilizing \$100,000 from Research and Development, in addition to adhering to Senator Hansen's suggestion. Senator Hansen seconded the motion, and the motion carried unanimously.

iv. Budget Memo

Drew presented the budget memo.

Ric Moore approved the amendments to the budget. Senator Hansen seconded the motion, and the motion carried unanimously.

3. Reports

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

Drew presented the reports to the Board.

4. New/Old Business

Drew presented new business regarding office space. Drew has met with he building owners about potentially moving offices to the second floor. The second floor would have a lot more space; he also explained that currently Energize Delaware is divided into two office suites. Drew is asking for approval to work with the building owners to find out if it would be feasible to move.

Senator Hansen made a motion to approve seeking further information to assess if it would be feasible for Energize Delaware to move office spaces. Ric Moore seconded the motion, and the motion carried unanimously.

4. Executive Session – Legal matters

Ruth Price made a motion at 10:18am for the Board to enter Executive Session to discuss legal matters. Ric Moore seconded the motion and the motion carried unanimously.

Public Comment

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 § 10004. 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.