Delaware Sustainable Energy Utility

Oversight Board Agenda

September 17, 2026– 9:00 am, via Zoom

Members present were Sean Finnigan, Senator Trey Paradee, Senator Stephanie Hansen, Kristopher Knight, Ric Moore, Michael Chajes, Tom Noyes, and Jameson Tweedie. Also present were Franky Murphy, John Byrne and Job Taminiau.

Welcome

1. Approval of Minutes

    a. Oversight Board Meeting Minutes – May 15, 2026

Ric Moore made a motion to approve the May 15, 2026 Oversight Board Meeting Minutes. Senator Hansen seconded the motion, and the motion carried unanimously.

2. Business

    a. Chesapeake Utilities Energy Efficiency Program

    Drew provided an update on the Chesapeake Utilities Energy Efficiency Program: On July 15, 2026, the Public Service Commission voted to end Chesapeake Utilities' Energy Efficiency program. Their program was the first natural gas energy efficiency program in the state and partners with our Home Energy Checkup and Counseling (HEC2) and Home Performance with Energy Star® programs. The program ended because it didn't meet its total resource cost tests.

    Drew mentioned the difficulties with the start-up phase of the program and discussed having learned what may need to be modified, such as being less prescriptive with direct install measures, software issues, and not knowing how their homes are heated.

    Drew is seeking the Board's approval to continue the energy efficiency partnership with Chesapeake Utilities through December 31, 2026. The estimated cost is $100,000 to $145,000 from July 15th through the end of the year.

    Sean asked whether there are customers in the queue expecting to be served, Drew commented there are customers to be served. Senator Hansen asked whether the program will continue their own efforts after DESEU's involvement is complete in December, Drew mentioned after December, Chesapeake will have to go back to PSC for review, and it is likely Chesapeake will request to partner with SEU again.

    Senator Paradee made a motion to approve continuing the Chesapeake Utilities' Energy Efficient program through December 31, 2026. Senator Hansen seconded the motion and carried the motion unanimously.

b. City of Newark Energy Savings Performance Contract

Drew presented a review of the City of Newark's participation in SEU's Energy Savings Performance Contracting Program (ESPC). As they note on their website, "The $10 Million Sustainability Project That Cost the City Nothing."

Verified electrical energy savings over the construction phase and first two operational years totaled 7,575,978 kWh. Additionally, total energy and operational savings to date are $966,342, which surpasses the guaranteed savings of $847,090 by $119,252."

Drew mentioned that in June, the Board approved bridge financing of up to $1 million to support the City's project and secure the equipment prior to July 4, 2026. This had a huge impact on the project as the potential federal Investment Tax Credit may be up to 50 percent of the total project cost.

Drew explained with SEU's bridge financing in place, the City is moving forward with rooftop and solar carport projects throughout the City estimated to be 1.6MW in size with annual production of 1,873,715 kWh. This addition will get the City to net zero across all their municipal facilities except their water treatment plants, which will cover the remainder of their net zero target in the second phase project.

Jameson asked how the risks of this type of loan are assessed. Drew replied that the loan request must go through SEU's loan committee and receive a full review from our financial team.

Since the project is above the $2 million cap, Drew the Board would need to approve moving forward with the potential of funding the loan once an application has been filed and goes through our normal loan committee and financing review.

Michael Chajes made a motion to approve moving forward with the DESEU funding the City of Newark solar ESPC project. The project will still be required to go through the loan committee and meet all loan requirements for final approval. Ric Moore seconded the motion, and the motion carried unanimously.

c. Program Incentives

Drew presented the programs that have increased incentives in the new fiscal year to align projected energy savings with implemented energy savings.

The following programs made increases and adjustments to their incentives: The Home Performance with Energy Star Program, the Farm Program, and the Residential Solar Loan Programs. Programs with projected increases are The Affordable Multifamily Program and the Energy Efficiency Investment Fund for Non-Profits.

3. Reports

a. Executive Director

Drew presented the Executive Director Report.

Jameson Tweedie commended the SEU for exhausting Delmarva Power Customer Relief Funds. Sean Finnigan commended the SEU for no administrative costs to ensure every dollar went to customers.

Drew mentioned the open position that has been posted for Finance and Administration. Kris Knight asked if the SEU will still work with Faw Casson. Drew said yes, and that nothing with change except for addition in-house support and an added layer of internal control.

Senator Hansen mentioned her meeting with the League of Local Governments and some of the counties to discuss possible hardships with battery storage.

b. Program Activity Report

Drew presented the Program Activity Report and highlighted there are 32 new loans since May with $20.2M in requested financing.

c. Budget Report

Drew presented the Budget Report and discussed several program budget increase requests that will be proposed at the next Oversight Board Meeting in November.

4. New/Old Business

Ric Moore opened discussion regarding SB 23, that states when municipalities complete plans, they must be presented to the Governor. He mentioned SB 23 is known as the "Housing for Every Delawarean Act", which is aimed at increasing the state's housing supply and tackling Delaware's affordable housing shortage sponsored by Senator Huxtable. Ric expressed concern about removing too many trees and increasing energy consumption. Drew mentioned our Natural Climate-Based Solutions work the SEU is doing with the Center for Inland Bays, which restores buffers, meadows, and plantings for communities.

Tom Noyes provided an update on the Delaware Energy Hub website along with an update on the Governor's announcement of the Delaware SHINES (Solar + Storage Home Incentive Network for Economic Stability) program.

Public Comment – N/A

Adjourn – The meeting adjourned at 10:49am

Ric Moore made a motion to adjourn the meeting. Senator Hansen seconded the motion and the motion carried unanimously.