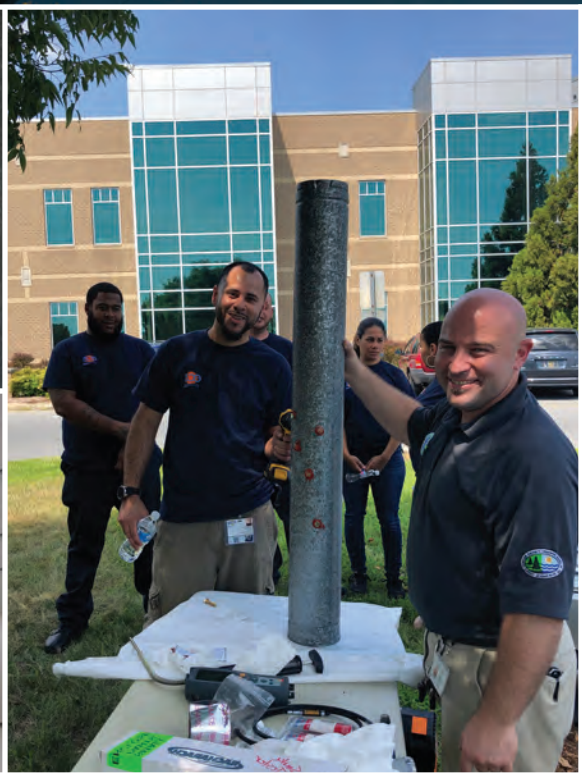
DELAWARE EEAC

Energy Efficiency Advisory Council

2019 Annual Report

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL



DELAWARE
EEAC
Energy Efficiency
Advisory Council

Letter from the Chair

Dear Delawareans,

On behalf of the Delaware Energy Efficiency Advisory Council ("EEAC" or "Council"), I am pleased to present this 2019 Annual Report. Established by the legislature in 2014, the EEAC works to develop energy savings targets and assist affected energy providers to deliver energy efficiency programs to their customers. Energy efficiency not only brings cost savings to the individual ratepayer but also provides benefits across the entire energy system. If we work to reduce the amount of energy we use, the less power we must generate. In other words, energy efficiency reduces the need to build or upgrade new energy infrastructure such as wires, poles, transmission towers, transformers, and power plants.

I would like to highlight that this is the second year in a row that all non-regulated affected energy providers elected to develop, implement, and fund energy efficiency and peak demand reduction programs. This year also marked the adoption of Delmarva Power & Light's electric energy efficiency plan, which received approval from the Delaware Public Service Commission in September of 2019. This milestone marks the support of Delaware's first regulated electric saving energy efficiency programs.

This report contains a summary of the activities of the EEAC over the past year, including work in the areas of evaluation, measurement, and verification ("EM&V"), low-income program development, and the consideration of new opportunities for program enhancements. The report also provides individual updates for each energy efficiency program administrator with active programs. It includes their progress towards energy savings targets and program results and updates.

In 2020, the EEAC will continue its work of championing statewide energy efficiency efforts. We will have a specific focus on assisting with developing Delaware's first regulated gas-saving energy efficiency programs.

The EEAC looks forward to continuing its energy efficiency efforts and work cooperatively with all of Delaware's energy consumers to continue our success.

Sincerely,

Robert Underwood

DNREC – Energy Program Administrator
EEAC – Chair

[1] Not regulated by the Delaware Public Service Commission. This includes Delaware Municipal Electric Corporation (DEMEC) and the Delaware Electric Co-operative (DEC). In collaboration with Energy Efficiency program administrators including the Delaware Sustainable Energy Utility (DESEU) and the Department of Natural Resources and Environmental Control (DNREC).

DELAWARE
EEAC
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Introduction

Since 2014, the Delaware EEAC has been working as a collaborative panel of representatives to support the development of energy efficiency programs that increase energy efficiency, reduce energy usage, and lower consumer energy costs across the State. One of the primary tasks of the Council is to assist Delaware's electric and natural gas utilities and program administrators with developing and deploying energy efficiency programs that are cost-effective, reliable, and achievable. The 2019 EEAC Annual Report highlights the actions of the Council and participating program administrators over the past year and documents the State's progress towards the implementation of energy efficiency programs for all Delawareans.

Council Mission Statement

The EEAC's mission is to assist affected energy providers in the development of energy efficiency, energy conservation, peak demand reduction, and emission-reducing fuel switching programs for all customer classes. These programs and financing mechanisms aim to be cost-effective, reliable, and feasible, and include evaluation, measurement, and verification of energy savings. The Council strives to collaborate with the Public Service Commission staff and the Public Advocate to recommend candidate programs for three-year portfolios to be approved by the Public Service Commission or the appropriate governing body. For more information and to follow the work of the Council, visit de.gov/

2019 Program Summary

Energy Efficiency Performance Outcomes

2019 energy efficiency savings equivalent to:

Nearly **2,000 homes** powered for a year through electric savings

Over **1,000 homes** heated for a year through gas savings

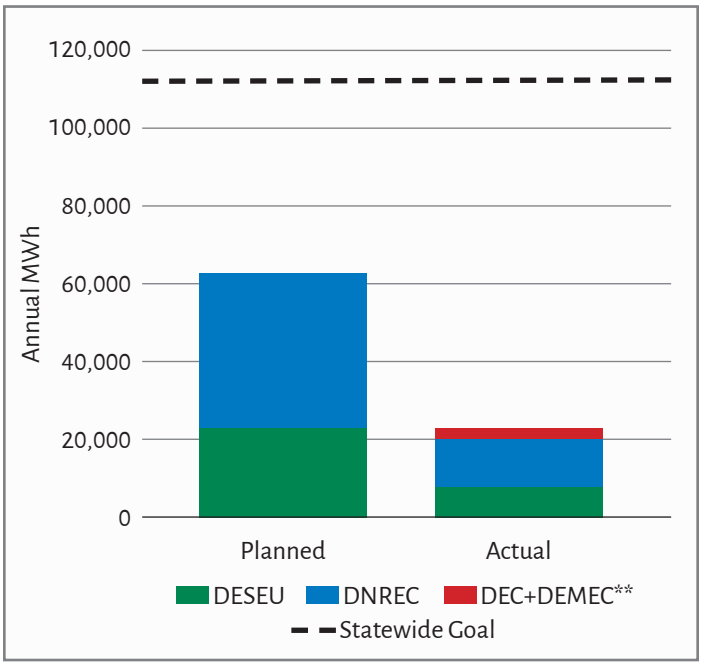
Almost **20,000 metric tons** of carbon dioxide avoided each year, the equivalent of taking **4,075 cars** off the road.

Progress Towards Energy Savings Targets

In 2016, the EEAC established three-year non-binding energy savings targets. 2019 represents the last year of the three-year goals. Figure 1 shows the electric program savings in 2019 compared to planned savings and the statewide target for the year. These savings represent preliminary (unevaluated) results. In 2020, the Council will set new statewide energy efficiency targets for the next three years (2020-2022).

Figure 2 presents similar information from gas program savings.

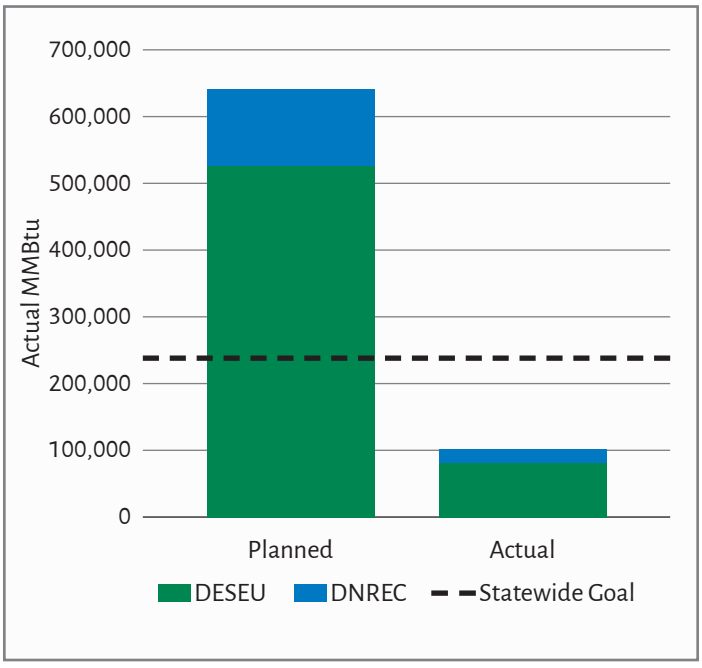
*Figure 1. 2019 Net Electric Savings**



* For preliminary results, net savings were calculated using statewide net-to-gross ratios as approved by the EEAC EM&V Committee.

** Actual results for the Delaware Electric Cooperative (DEC) and the Delaware Municipal Electric Corporation (DEMEC) were combined due to the scale of the chart. DEC and DEMEC did not provide planned savings for 2019.

*Figure 2. 2019 Net Gas Savings**



* For preliminary results, net savings were calculated using statewide net-to-gross ratios as approved by the EEAC EM&V Committee.

Program Results and Updates

DNREC DIVISION OF CLIMATE, COASTAL, & ENERGY

The DNREC Division of Climate, Coastal, & Energy (DCCE) supports energy efficiency and conservation programs that help reduce energy use and impact on the State's environment and public health. In 2018, the Division's energy efficiency efforts included the Energy Efficiency Investment Fund (EEIF), Energy Efficiency Industrial (E2I) program and the Weatherization Assistance Program (WAP). All three programs contributed to reducing the production of harmful greenhouse gasses, lowered energy costs, and improved the value and comfort of homes and businesses in Delaware. The table below presents preliminary results of DNREC's progress towards achieving its energy savings targets. In late 2019, DNREC's EM&V contractor completed an evaluation of DNREC's 2016-2018 program results. This evaluation can be found on DNREC's website at: http://www.dnrec.delaware.gov/energy/information/otherinfo/Documents/EEAC/2016-2018-DNREC-Evaluation-Report.pdf

Table 1. 2019 DNREC Performance Metrics

Annual Electric Energy Savings (MWh)	12,716
Annual Electric Demand Savings (kW)	4,643
Annual Natural Gas Savings (MMBtu)	20,997
Program Spending (Millions)	$8.5

Weatherization Assistance Program

Program Description

The Weatherization Assistance Program (WAP) was created to reduce energy costs for low-income[2] Delaware households by increasing the energy efficiency of their homes. In Delaware, WAP has been available to low-income residents since 1976. The current offering is administered by DNREC's Division of Climate, Coastal, and Energy and implemented by third party subgrantees. The program provides energy efficiency, weatherization, ventilation, and other health and safety measures to eligible residents. DNREC administers WAP as a Grantee of the U.S. Department of Energy's WAP. Other sources of funding include the Low-Income Home Energy Assistance Program (LIHEAP), which is run by Delaware's Department of Health and Human Services, RGGI proceeds, and contributions from Delmarva Power and Light.

CASE STUDY

WEATHERIZATION ASSISTANCE PROGRAM

The Need

An elderly WAP client lives in a 1984 mobile home with 686 square feet of living space in Lewes, Delaware. The house uses propane for heating and an additional 1,046 kWh per month of electricity with an average monthly bill of $151. The client was uncomfortable in the home and her utility bills were high compared to her income. The entire belly of the mobile home was deteriorated, and the attic only had R-11 of existing insulation.

The Solution

Through participation in the WAP program, the client received air sealing that reduced the air infiltration of her home by 1,333 cubic feet per minute (cfm). The home also received a new belly liner, 12 linear feet of pipe wrap at the water heater, 5 LED bulbs, 686 square feet (sqft) of attic insulation, 392 sqft of dense-packed fiberglass insulation and 394 sqft of loose-packed fiberglass insulation in the belly. Contractors also applied mastic sealant to 6 supply ducts and installed mechanical ventilation (kitchen rangehood fan and a bath fan).

Savings Summary

- $5,916 project cost
- Savings of 16.7 MMBtus (968 kWh) with a peak demand reduction of 0.22kW
- For every WAP dollar invested there is a $1.71 return on investment

My propane bill was reduced by 50%! My home is so much warmer and comfortable, I can actually afford to turn the heat up a little. The weatherization crew was so respectful and clean in my home. I can't say enough about how wonderful they were.

–Lewes WAP Client

[2] Services are available to households with income at or below 200% of federal poverty income guidelines.

Table 2. 2019 WAP Performance Metrics

Annual Electric Energy Savings (MWh)	211
Annual Electric Demand Savings (kW)	40
Annual Natural Gas Savings (MMBtu)	407
Annual Other Fuel Savings (MMBtu)	1,627
Program Spending (Millions)	$3.0
Participants (# of households)	184

Program Activities

In 2019, a third-party evaluation of the WAP program for program years 2016-2018 was completed. Based on an analysis of energy measures installed and client utility bills, a Delaware-specific methodology was developed to calculate more accurate energy savings per home. Results of the evaluation indicated that 86% of Delaware WAP clients interviewed were satisfied with their experience with the program and that the WAP program returns $1.71 in benefits for every dollar spent. Also in 2019, WAP staff, Subgrantees, and contractors received 1,791 hours worth of technical training.

Energy Efficiency Investment Fund

Program Description

The Energy Efficiency Investment Fund (EEIF) provides financial incentives to Delaware businesses, local governments, and non-profits to make building technology upgrades that result in energy, peak demand, and operating cost savings. The program includes both prescriptive incentives designed to reduce paperwork and administrative costs for standard efficiency measures and a custom incentives pathway that supports more complex and comprehensive projects. EEIF is funded by the Delaware Public Utility Tax and one-time allocations from the Delmarva Pepco-Exelon merger settlement and the Regional Greenhouse Gas Initiative (RGGI). In 2019, the EEIF program supported 54 more projects and provided $3.1 million more in grant funding than in 2018. This increased program activity resulted in a 65% increase in electric savings and a more than 275% increase in gas savings compared with the previous year.

Table 3. 2019 EEIF Performance Metrics

Annual Electric Energy Savings (MWh)	12,505
Annual Electric Demand Savings (kW)*	4,603
Annual Natural Gas Savings (MMBtu)	20,590
Program Spending (Millions)	$5.5
Participants (# of businesses)	81

CASE STUDY

ENERGY EFFICIENCY INVESTMENT FUND

The Need

The Wyoming United Methodist Church wanted to replace the fluorescent tubes in their overhead lighting fixtures with LED lamps to reduce the church's energy consumption and to reduce their energy bills.

The Solution

WUMC utilized the EEIF program to help finance their lighting upgrade, which enabled them to undertake and complete the project. The Wyoming United Methodist Church installed 644 LED T8 tubes into 161 overhead fixtures. They were successful in replacing the lighting in the church library, main office, facility offices, the hallways, men's and women's bathrooms, and several bible study classrooms.

Savings Summary

- Total project cost: $10,057
- Incentive payment and/or financing: $3,017 grant award
- Annual energy savings: 20,091 kWh
- Annual cost savings: $2,542

If not for [DNREC's] support and guidance, and these grants, the church might not have been able to undertake these worthwhile projects. We are grateful for all the help we received for this significant improvement at Wyoming United Methodist Church.

–Hugh Shaw

Energy Efficiency Industrial

Program Description

The Energy Efficiency Industrial (E2I) program is designed to encourage non-standard energy efficiency upgrades. It is available to Delmarva Power and Light customers whose annual consumption is greater than 10,000 MWh and/or 95,000 MMBtu annually. E2I is geared towards a comprehensive full-facility upgrade that maximizes energy savings and cost-effectiveness. E2I allows for unique and creative solutions to complex, large-scale

Program Results and Updates

projects. Although the potential savings from each E2I project are substantial, the number of customers eligible to participate in the program are small. For this reason, savings are likely to vary widely from year to year.

In late 2018, an Energy Efficiency Industrial (E2I) Program application was preapproved for $6.2M. The preapproval was for the re-life project at the Messer (formerly known as Linde) facility in Claymont, Delaware. The Messer facility is an air separation plant that uses large compressors to separate atmospheric air into marketable products such as nitrogen, oxygen and argon. The facility is energy-intensive with electric costs representing approximately 60% of their operational costs. Messer is investing approximately $100M into their facility with an estimated 30-40 years of service life for the new equipment. The project is currently underway with an estimated completion date in 2020.

This pre-approval award represents approximately 6% of the total project cost. It will result in annual savings of 30,322 MWh of electricity and 20,281 MMBtu of natural gas. In addition, it will reduce electric demand (commonly referred to as peak demand) by over 3.7MW. The award will be paid after the project is complete, paid invoices are submitted, final screening is completed, and a post-installation site visit is conducted.

DELAWARE SUSTAINABLE ENERGY UTILITY

The Delaware Sustainable Energy Utility (DESEU) was created in 2007 by the state of Delaware to foster a sustainable energy future. The DESEU serves as a one-stop resource to residents and businesses by offering numerous programs through its Energize Delaware initiative. In 2019, the DESEU helped more than 2,000 Delaware utility customers save money through energy efficiency. The DESEU is primarily funded through the Regional Green House Gas Initiative (RGGI) but leverages multiple sources of funding such as tax-exempt bonds and leases, fees and interest on financing, and fees for services.

Table 4. 2019 DESEU Performance Metrics

Annual Electric Energy Savings (MWh)	7,341
Annual Electric Demand Savings (kW)	5,784
Annual Natural Gas Savings (MMBtu)	77,818
Program Spending (Millions)*	$12.8
Participants (# businesses, organizations, or households)	3,481

* The Lewes Public Works Board provided approximately $5,331 for the SEU to implement HPwES projects in the town.

Low-Interest Commercial Loan Program

Energize Delaware has the authority to issue low-interest loans to finance energy efficiency measures in both the public and private sector. The Energize Delaware Commercial Low Interest Loan Program has a track record of providing low-interest loans for businesses, farms, non-profits, school districts and local governments to reduce their energy bills by improving the efficiency of their operations. The 2019 calendar year was another strong year, closing 22 loans totaling $5,252,363. The average loan size was $238,743. Of the 22 total loans, 16 were associated with farms participating in the Energize Delaware Farm Program. The average interest rate was 2.6% with an average term of 15 years.

Home Performance with Energy Star

One of the DESEU's most successful programs in 2019 was its Home Performance with ENERGY STAR (HPwES), which offers a whole-house approach to improve energy efficiency in single-family homes. Eligible Delaware property owners can receive a Home Performance Audit for just $100 as well as several energy-saving items at no additional cost, such as efficient light bulbs, efficient-flow showerheads, faucet aerators, pipe insulation, and smart power strips. In addition, customers can receive financial incentives for installing more comprehensive efficiency measures such as insulation, air sealing, and equipment upgrades. The DESEU also offers a companion program, Assisted Home Performance with ENERGY STAR Program (Assisted HPwES), which provides a comprehensive home energy audit and energy efficiency upgrades provide at significantly reduced costs to income-qualified Delaware property owners and renters. In 2019, the program served over 1,800 households. For the third year in a row the program received an ENERGY STAR Award for Program Delivery.

Additional 2019 Results and Program Changes

Savings results from DESEU's numerous other programs are listed in Table 5 below. After the HPwES, the Performance Contracting Program achieved the most electric savings of the DESEU's programs in 2019. The program, directed at schools, universities, municipalities, hospitals and other institutions, provides a comprehensive approach to assess energy use and to implement energy and water efficiency improvement projects by providing contractual and financing mechanisms to execute the upgrades with minimal financial risk. In 2019, bond financing was finalized for Indian River School District, Colonial School District and Department of Health & Social Services totaling $19.1 million with guaranteed annual energy savings of $1.7 million.

Table 5. 2019 DESEU Savings by Program

	Annual Electric Energy Savings (MWh)	Annual Electric Demand Savings (kW)	Annual Natural Gas Savings (MMBtu)
Commercial & Industrial	**5,781**	**5,461**	**76,896**
Faith Efficiencies Partnership	n/a	n/a	n/a
Farm Program	747	4,631	8,889
Pathways to Green Schools	515	200	99
Performance Contracting	2,614	-	62,075
Revolving Loan Fund	343	126	1,953
EEIF for Non-Profit	193	-	3,769
Energy Assessments for Non-Profits	1,369	504	112
Residential	**1,559**	**323**	**922**
Affordable Multifamily Housing	n/a	n/a	n/a
HPwES Program	1,469	314	882
HEC2	90	9	40

Highlights from other programs included:

- Expanded Affordable Multifamily Housing Program
  - Brought 4 new multifamily housing providers into the Affordable Multifamily Housing Program
  - In addition to offering the program to existing multifamily properties, the program began providing support for new construction properties in the design phase
- Introduced Climate Conversations, a type of awareness building workshop, into the Faith Efficiency Partnerships program; partnered with the University of Delaware Industrial Assessment Center for larger houses of worship
- Brought 3 new schools into the Pathways to Green Schools program
- Achieved 607 kWh energy saving per participant program; 165 Low-Income households received in-home counseling & direct install measures through the Home Energy Counsel and Check-up
- Expanded the Lights on Delaware Strong program to a statewide program and installed LED Porch lights on 1,331 homes

For more information about DESEU's portfolio of efficiency and sustainable energy programs, please visit its website at www.energizedelaware.com.

Hercules Plaza, located on North Market Street in Wilmington, Delaware received a loan in the amount of $1,924,000 to complete energy efficiency projects valued at over $2.4 Million Dollars. Annual energy savings are expected to be $312,706 with kWh savings of 5,044,403 and therms of 126,763. Projects include a lighting retrofit, new boiler and fuel switching, chilled water plat upgrade, variable speed hot water, air handing unit recommissioning and VAV box recommissioning. Although the majority of the work on the Hercules Plaza project was completed in 2019, final commissioning of the project was not completed until 2020. For this reason, the savings from this project are not included in Tables 4 and 5 and will be included in the 2020 EEAC Annual Report.

Program Results and Updates

DELAWARE ELECTRIC COOPERATIVE

Delaware Electric Cooperative (DEC) is a member-owned electric distribution company serving 102,000 members in Kent and Sussex County, Delaware. DEC implements several efficiency programs for residential, commercial, and agricultural customers. The programs typically provide prescriptive incentives for a short list of qualifying measures and equipment types. Much of the program activity to date has been in lighting, but programs to promote geothermal heat pumps and heat pump water heaters have also been successful. DEC also offers a low-income program and several demand response programs. Through the Electric Vehicle (EV) Program, EV owners can receive a one-time billing credit and an additional $5 monthly billing credit for not using their EV chargers during Beat the Peak alerts. DEC also partnered with NEST's Rush Hour Rewards program, described more below, to provide incentives for allowing DEC to adjust participating customers' NEST thermostats a few degrees during summer Beat the Peak alerts.

Table 6. 2019 DEC Performance Metrics

Annual Electric Energy Savings (MWh)	**580**
Annual Electric Demand Savings (kW)	**6,909**
Annual Natural Gas Savings (MMBtu)	**n/a**
Program Spending (Millions)	**$1.7**
Measures installed	**580**

Beat the Peak

DEC has had a robust direct install load management program for many years, utilizing power line control (PLC) technologies. Currently, the Cooperative controls nearly 28,000 water heaters and central air conditioning units. However, the PLC technology is becoming antiquated and is being replaced with Radio Frequency (RF) technology. Rather than replacing/upgrading their PLC load management system, and to get away from a "hardware" based load management program, the Co-op decided to leverage smart home technologies. Wi-Fi thermostats are now a proven and reliable tool for reducing homeowners' energy costs. They provide savings by automatically adjusting the temperature, depending on whether a consumer is home, sleeping or away. The thermostats can analyze heating and cooling patterns for energy-saving opportunities. They are also able to be controlled remotely from a phone or tablet.

Delaware Electric Cooperative developed Beat the Peak with NEST, a thermostat program launched in 2018, through a partnership with Old Dominion Electric Cooperative (ODEC), our Generation and Transmission (G&T) company and the National Rural Telecommunications Cooperative (NRTC). The program offers members a $100 initial incentive, through a billing credit, to sign up to participate in the program. A monthly incentive of $5 is given for any month (June-September) when there is a control event. Through the end of the 2019 summer control period, there were 774 thermostats being controlled across 653 accounts. This program, in conjunction with DEC's other Beat the Peak programs, saved members more than $2 million in 2019. For 2020, DEC will be expanding the initial program and will be launching Beat the Peak with Thermostats, which will allow most Wi-Fi capable thermostat owners to participate.

As a longtime member of DEC's Beat the Peak program, joining the Nest thermostat program was very simple and a win-win for our family. We joined the program to benefit from the savings, to help the environment, and to support DEC's efforts to keep our rates low. During a summer peak, we've hardly noticed any difference. Our Nest thermostat will cool the house by lowering the temperature a few degrees before the peak starts. When the peak is over, our home is still comfortable, and the temperature is right where it should be.

–Ben Galvacky

DELAWARE MUNICIPAL ELECTRIC CORPORATION

The Delaware Municipal Electric Corporation (DEMEC) was incorporated in 1979 as a public corporation constituted as a Joint Action Agency and a wholesale electric utility. DEMEC represents and serves the eight municipal electric distribution utilities located in the State of Delaware. Collectively, they serve over 137,000 residents and businesses in their communities. Launched in 2018, 2019 was the second year DEMEC implemented its Efficiency Smart program. The program offers several options to help participating communities and their residential and business customers use less energy and save money through energy education, plug load meter reports, technical assistance, and financial incentives.

Power Savers

DEMEC also works with residential and commercial electric customers to reduce energy consumption during peak energy usage times through the Power Savers demand response program. On days that large increases in electric usage are expected, DEMEC will encourage customers to avoid activities that will increase their use by issuing "Power Saver Alerts." DEMEC uses a combination of municipal notification systems, contractor support, and website and social media to issue alerts and notify customers.

CASE STUDY

EFFICIENCY SMART PROGRAM

The Need

Nationwide Healthcare Services, LLC ("Nationwide"), acquired the former Milford Memorial Hospital campus in Milford, DE with a goal to convert the existing buildings into a mixed-use healthcare campus with multiple tenants. This campus would collectively be known as the "Milford Wellness Village." Shortly after the acquisition, Nationwide realized that the now-vacant buildings were still operating as a fully functioning hospital; mechanical systems (HVAC) running 24 hours a day and 7 days a week, and no provisions for scheduling around operating hours or with night setbacks. The vacant campus was consuming electricity at an average rate of $2,000 per day. Upon realizing the growing problem, Nationwide contacted the City of Milford for help with its energy costs. As a member of the Delaware Municipal Electric Corporation (DEMEC), the City connected Nationwide with Efficiency Smart, DEMEC's energy efficiency program.

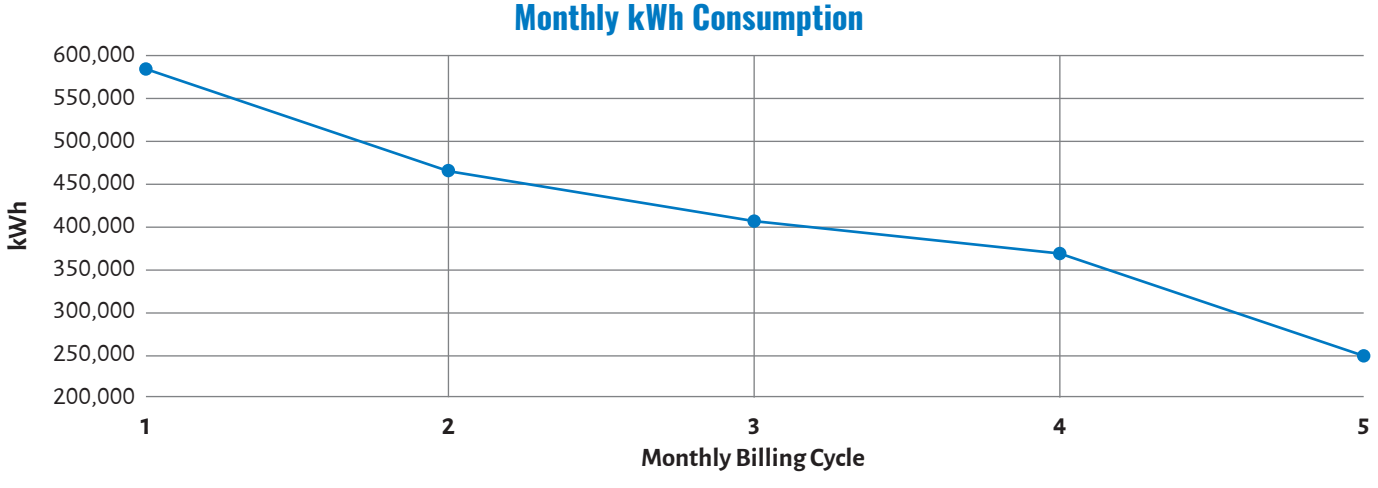
The Solution

Efficiency Smart's energy consultants met with Nationwide to formulate a plan that would reduce energy use. This plan first focused on re-programming the building automation system for the HVAC equipment. Efficiency Smart also recommended no-cost actions, which Nationwide's in-house maintenance staff and building controls contractor could implement immediately. Within six months, the electric bill was cut in half and monthly electric consumption was reduced by 36 percent.

Savings Summary

- Over six months, Nationwide realized 430,000 kWh in electric savings or approximately $43,000 in electric cost savings.
- Nationwide achieved these results at no cost to them as their building controls contractor included re-programming services in its annual service contract.
- No financial incentives or financing was needed since there were no additional costs associated with this project.
- Phase Two of this project is to track energy use over time to develop baseline usage expectations and to be able to allocate utility costs appropriately to tenants.
- Phase Three of this project is to work together to incorporate high-efficiency equipment and systems as applicable during the build-out of the new tenant spaces.

Darren Cornish, Corporate Director of Facilities Management for Nationwide expressed his thanks for the consulting services Efficiency Smart provided: "This has been a great team effort on all parts, working with the City of Milford, DEMEC, and Efficiency Smart, to bring real energy and monetary savings for us now and ongoing."



Monthly kWh consumption as the project progressed

Program Results and Updates

Table 7. 2019 DEMEC Performance Metrics

Annual Electric Energy Savings (MWh)	2,082
Annual Electric Demand Savings (kW)	21,861
Annual Natural Gas Savings (MMBtu)	n/a
Program Spending (Millions)	$0.9
Participants	600

Additional 2019 Results and Program Changes

In 2019, DEMEC began partnering with four additional communities to offer Efficiency Smart to their customers. These included the towns of Lewes, Middletown, and Smyrna, and the City of Newark. All eight member utilities now participate in DEMEC's energy efficiency program.

Other 2019 program highlights include:

- Began offering rebates for High Efficiency Air Source Heat Pumps and Cold Climate Heat Pumps
- Created/launched a customer service program to help customers understand their usage and easy ways to lower it

REGULATED UTILITIES

In addition to presenting program plans to the EEAC, Delaware's two regulated utilities, Delmarva Power & Light and Chesapeake Utilities must seek approval from the Delaware Public Service Commission (PSC) to run energy efficiency programs. Delmarva's first 3-year program plan was accepted by the Council in 2017 and filed with the PSC. In September of 2019, Delmarva received approval from the PSC to provide two energy efficiency programs to residential customers.[3] The Consumer Products Program consists of two components, Appliance Recycling and LED Lighting. The appliance recycling component will offer customers up to $55 for replacing and recycling old, inefficient appliances such as refrigerators, while the LED lighting component will provide customers with instant in-store discounts on efficient bulbs to encourage them to replace inefficient lighting. Last, a behavior program will help customers to reduce energy use by changing their behavior.

Launching in 2020, Delmarva's efficiency programs are expected to:

- Reach over 200,000 customers across the state
- Save almost 10,000 MWhs of electricity annually
- Remove greenhouse gas emissions equivalent to 1,500 passenger vehicles from the road

"We are committed to providing our customers with innovative solutions to help meet their energy needs, enhancing the customer experience, and developing new tools and programs to help customers save,"[4] said Gary Stockbridge, Delmarva Power region president. "We are excited to launch new energy efficiency programs here in Delaware that will provide our customers with cost-effective and simple ways to save money and energy."

Chesapeake is expected to proceed with program planning in 2020.

Council Background and Activities

Legislative Background

In 2014, the Delaware General Assembly passed legislation that greatly expanded the state's commitment to and investment in energy efficiency for all utility customers. Title 29 §8059 of the Delaware Code enables all of Delaware's energy providers to offer cost-effective energy efficiency programs to their customers in collaboration with the Delaware Sustainable Energy Utility. The legislation specified that programs should utilize private financing and allowance proceeds from the Regional Greenhouse Gas Initiative as the preferred sources of program financing prior to funds recovered from ratepayes. It also requires that regulations be promulgated, specifying how energy savings should be measured and verified. The legislation also created the EEAC, which is composed of a variety of energy efficiency stakeholders appointed by the Cabinet Secretary of the Department of Natural Resources and Environmental Control.

[3] https://www.delmarva.com/News/Pages/NewDelmarvaPowerEnergyEfficiency-ProgramsApprovedbyDelawarePublicServiceCommission.aspx
[4] Ibid

Committee Updates

The Council includes two permanent subcommittees. The membership of both includes, at a minimum, a representative from each program administrator and DNREC. Other members of the Council may join either subcommittee. The sections below summarize the activities of these committees in 2019.

EM&V Committee

The Evaluation, Measurement and Verification ("EM&V") Committee works to address aspects of planning, managing, overseeing, and reporting of all EM&V activities in Delaware. In addition to ensuring that public spending on efficiency is prudent and cost-effective, EM&V also informs program design improvements and guides future investment decisions. Committee participants include energy efficiency program administrators, Council members, and community stakeholders.

2019 committee highlights include:

- Updated and re-promulgated EM&V regulations
- Began updating statewide avoided costs and net-to-gross ratios
- Supported the updating of the 2014 Delaware study of the potential for energy savings in Delaware
- Reviewed snapshot reports from all Program Administrators with active energy efficiency programs
- Updated the Mid-Atlantic Technical Reference Manual
- Provided guidance on DNREC's third-party evaluation

In 2020, the EM&V Committee will continue to focus on ensuring that all program administrators with active energy efficiency programs are fulfilling their regulatory-based EM&V obligations. The group will also work on adopting new avoided costs and net-to-gross ratios, exploring a program co-delivery model, reviewing program administrator three-year plans, and helping the Council determine appropriate three-year energy savings targets.

Low Income Committee

In 2019, the Low-Income Committee successfully supported Delmarva Power & Light's efforts to deploy $4 million in Exelon merger funds designated for the creation of low-income energy efficiency programs. After a competitive RFP process, the Delaware Sustainable Energy Utility was awarded a contract to create a program to administer the funds, which includes a fund for larger programs and one for locally focused energy efficiency programs. Moving forward, the Committee will continue to monitor the progress of the deployment of these funds.

Additional 2019 Committee highlights included:

- Educating committee members about the low-income energy burden of Delaware
- Learning low-income program best practices from around the country
- Assessing the needs and opportunities for low-income energy efficiency programs in Delaware
- Discussing the skills and training needed to support the energy efficiency workforce of Delaware

The Low-Income Committee was created in 2016 to support all Delaware low-income energy efficiency programs and initiatives. The Committee provides feedback and guidance on the development and implementation of cost-effective program offerings. The Committee membership includes EEAC members (including utility representatives), state agencies, community action agencies, community-based organizations, faith-based organizations, and community foundations.

Council Members

Rob Underwood (Chairperson)
Department of Natural Resources and Environmental Control

Emily Greene
Delaware Municipal Electric Corporation
Affected Energy Provider

Charles Kistler
HELP Initiative
Low-income sector

Cassandra T. Marshall
Quaker Hill Neighborhood Association
Residential Sector

Harris B. McDowell, III
Delaware State Senate
Delaware Sustainable Energy Utility

Kelly McKeown
Delaware Manufacturing Extension Partnership
Commercial Sector

Glenn A. Moore
Delmarva Power & Light
Affected Energy Provider

Mark Nielson
Delaware Electric Cooperative
Affected Energy Provider

M.Q. Riding
Chesapeake Utilities
Affected Energy Provider

Alan Rogers
Delaware Energy Users Group
Manufacturing sector

Joseph Schorah*
Delaware Sustainable Energy Utility

Clem Dinsmore
Delaware Nature Society
Environmental

Vacant
Agricultural Sector

* As Executive Director of DESEU, Tony DePrima has been given the proxy of one of the DESEU Council members on an "as needed" basis. Dr. DePrima has also been a key contributor to the EEAC throughout 2019

Stay informed

The EEAC meets regularly through the year.
Meeting agendas, minutes, and other materials are available on the EEAC website at:
https://dnrec.alpha.delaware.gov/climate-coastal-energy/efficiency/energy-efficiency-advisory-council/