



# Meeting Minutes

Meeting Held Virtually

June 6, 2023

10:00am – 11:00am

## EEAC Members in Attendance

EEAC Member	Organization/Sector	Attendance	Proxy	Proxy Name
Rob Underwood	(Chairperson) DNREC	Present	n/a	
Scott Lynch	Delaware Municipal Electric Corporation	Present	n/a	
Vacant	Low-Income Sector	n/a	n/a	
Cassandra T. Marshall	Residential Sector	Present	n/a	
Harris B. McDowell, III	Delaware Sustainable Energy Utility	Absent	Yes	Drew Slater
Kelly McKeown	Commercial Sector	Absent	n/a	
Glenn A. Moore	Delmarva Power & Light	Present	n/a	
Kevin Yingling	Delaware Electric Cooperative	Absent	Yes	Josh Duckwall
Derrick Craig	Chesapeake Utilities	Present	n/a	
Christian Fuess	Manufacturing Sector	Absent	n/a	
Ric Moore	Delaware Sustainable Energy Utility	Absent	n/a	
Clem Dinsmore	Environmental Sector	Present	n/a	
Vacant	Agricultural Sector	n/a	n/a	

## EEAC Consultants in Attendance

Gretchen Calcagni; Optimal Energy, Inc.

Collin Smith; Optimal Energy, Inc.

## DNREC Staff in Attendance

Tom Noyes; Division of Climate, Coastal, and Energy

Maya Krasker; Division of Climate, Coastal, and Energy

## Call to Order

Rob Underwood called the meeting to order at 10:04 a.m.

## Agenda

1. Welcome and Introductions

2. Delmarva Power Proposed Program Plan
3. Public Comment
4. Adjournment

## Welcome and Introductions

- Underwood thanked Councilors for joining the meeting in between the regularly scheduled quarterly EEAC meetings and acknowledged the importance of reviewing Delmarva's energy efficiency program plan.

## Delmarva Power Proposed Program Plan

- Glenn Moore stated that Delmarva is planning to run four programs in total in 2024-2026; two are continuations of their previous programs and two are new. They plan on filing with the PSC as early as Thursday and still have to go through the full PSC process but are looking for EEAC support before filing. Moore indicated that Delmarva is looking to have the SEU run the Quick Home Energy Check-up (QHEC) program, though still need to work out some of the details. Moore thinks the SEU has done a great job and that there is an advantage from a cost and efficiency standpoint to having them run Delmarva's program and could be something to expand on in the future. Moore also noted that DPL has been collaborating with PSC and Public Advocate staff for months and have made changes to their plan based on feedback they received.
- Jessica Yu with DHI introduced Delmarva's program plan presentation and stated that the plan has three goals: expand access, save customers money, and support climate goals. She noted that the first cycle of programs exceeded goals while underspending budget. The four programs they plan to run are: ENERGY STAR for New Homes, QHEC, Appliance Recycling, and Behavior.
- Imran Bell with DHI presented Delmarva's approach to portfolio development including stakeholder outreach and feedback sought on development of the plan and some of the takeaways they received from stakeholders. He presented annual estimated program budgets and energy impacts of each program and provided an overview of each program.
- Related to the New Construction program, Drew Slater stated that the SEU ran a similar program and found that incentives went to large builders. He asked how incentives would get into the hands of customers rather than builders. He also noted that there are builder tax credits already for new construction and asked if those will be taken into account. Last, he asked if homes built through the program will be net zero energy since statute requires all new homes to be zero net energy by the end of 2025.
- Moore stated that Slater was offering good advice and Delmarva will make sure they talk about those specifics when they file their plan.
- Clem Dinsmore asked what the added benefit of the program would be if builders must meet energy code already.
- Moore responded that builders have to show incremental improvement over code.
- Dinsmore asked how Delmarva estimated what the market is going to be doing in terms of construction of single family vs. multifamily construction.
- Joe Schambach with ICF responded that they have been benchmarking off other new construction programs across the country. Typically, the baseline is the energy code of the state, or can be custom based on builder practices in the state. They would need to assess with evaluators what the appropriate baseline for the state would be. DHI has been drawing on experience in Maryland where the energy code is the same as in Delaware.
- Dinsmore stated that he understands affordable housing is important in Maryland and wonders whether there are as many proportional affordable housing units being built in Delaware and asked if it is fair to make the equivalency between the two states.

- Schambach stated that he believes so but pointed out that affordable housing development in Maryland varies year to year.
- Dinsmore asked whether the marketplace might work against what Delmarva is trying to realize.
- Schambach stated that that may be a fair point, but the utility doesn't have the ability to drive the housing market in the state and plans to work with affordable housing developers.
- Dinsmore suggests putting an asterisk next to the ENERGY STAR program stating that things might not happen as they have planned.
- Slater responded that the same could happen with any of these programs since the numbers provided are projections, which can always be wrong.
- He also noted that the SEU runs low income programs to support this market. Funding is also available through federal programs and DRNEC has a role to play in collaborating on this effort.
- Cassandra Marshall stated that DSHA's budget should include \$60M this year from the state for affordable housing development.
- Related to the QHEC program Slater noted that the SEU implementing the program would not require additional administrative costs since the SEU already runs the program and would represent savings to ratepayers.
- Slater asked what Delmarva would do with the gas savings achieved through their programs.
- David Pirtle stated that Delmarva will track gas savings from the programs and will include gas benefits in cost-effectiveness screening.
- Related to the Behavior program, Dinsmore asked whether Delmarva will work with the SEU to develop complementary marketing.
- Slater responded that he thinks cobranding and comarketing is important and is something they plan to work on with Delmarva.
- Haly Laasme-McQuilkin stated that she is uncomfortable with the Behavior program's comparison to similar customers. She is hoping language in home energy reports will be more gently and understanding and not offensive to low income households.
- Brian Talley discussed the impact to the customer from a rates perspective. There will be an increase in the surcharge amount over the previous plan based on proposed budgets. Although the program plan is a three-year plan, the costs will be amortized over a year so you will see a four-year surcharge. This is consistent with how Delmarva recovered costs in the last plan.
- Slater stated that he doesn't think the Council should be weighing in on the recovery mechanism for the plan and that the PSC should be deciding.
- Moore agrees that this will be determined by the PSC, but the financing mechanism is required in the statute and Delmarva presented this information to the Council for their previous plan.
- Dinsmore asked about Delmarva's strategy to scale down programs due to cost and asked if Delmarva discussed with the SEU how they might not need to scale down programs.
- Moore responded that there is a balancing act between proposing modest increases in program offerings while balancing costs.
- Slater responded that the SEU is willing to partner with anyone on programs and is talking with the other utilities about how they can bolster their programs.
- Derrick Craig asked why the program cycle didn't cover the years 2023-2025.
- Moore responded that all program administrators develop three-year plans, but they don't always overlap.
- Tom Noyes responded that Moore's response was a good summary.
- Dinsmore moved that the Council accept Delmarva's program plan.
- Marshall seconded.
- The motion passed unanimously.

## Public Comment

- Underwood asked for public comments.
- Moore indicated that this may be his last meeting and stated that he thinks the Council and everyone involved has done a great job.
- Underwood thanked Moore for his service on the Council.
- No public comment was made.

## Next Steps/Adjournment

- Next EEAC meeting will be held in July 2023.
- Copies of all EEAC meeting materials may be found on DNREC's website located at the following URL:  
<https://dnrec.alpha.delaware.gov/climate-coastal-energy/efficiency/advisory-council-meetings/>

## Adjournment

- The meeting was adjourned at 11:03 a.m.