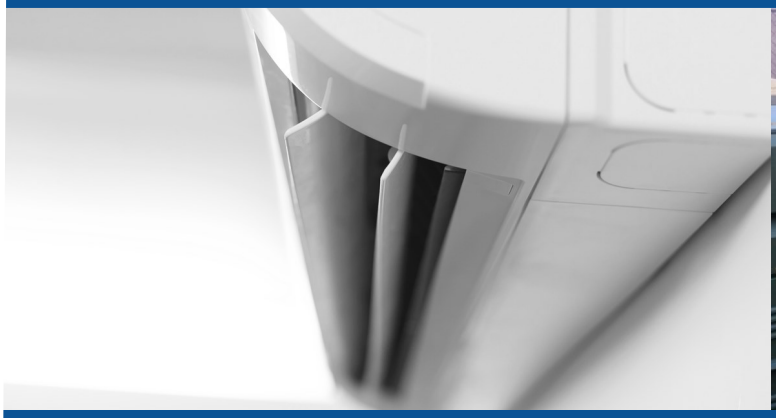
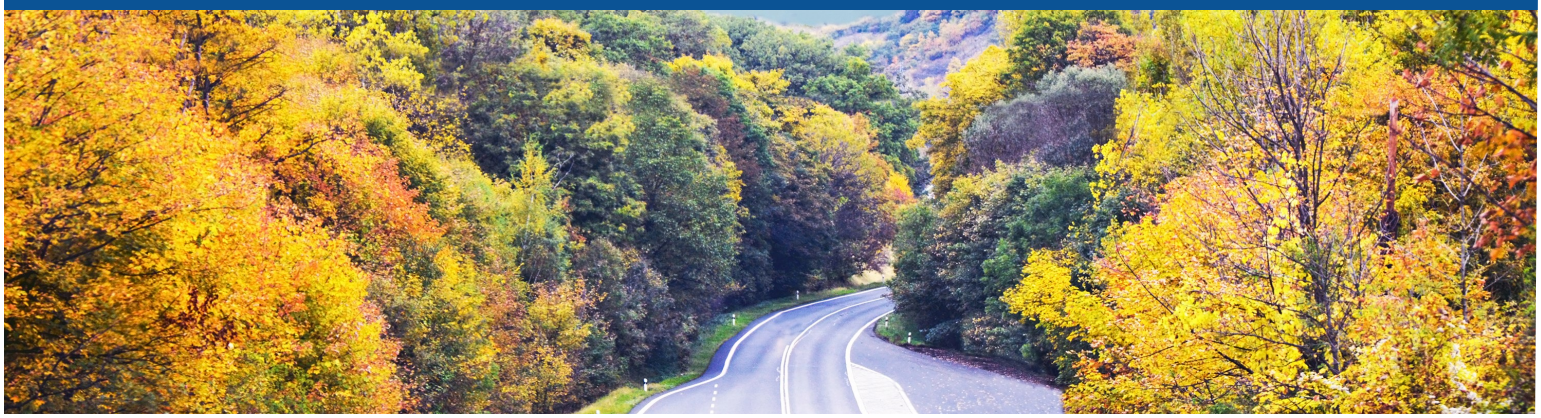
# Delaware
## Energy Efficiency Advisory Council



# ANNUAL REPORT
# 2017



DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

# Council Members

| Council Member | Affiliation | Representing |
|---|---|---|
| Rob Underwood, Chair | Division of Climate, Coastal & Energy | Department and Natural Resources and Environmental Control |
| Glenn A. Moore | Delmarva Power | Affected Energy Provider |
| Mark A. Nielson | Delaware Electric Cooperative | Affected Energy Provider |
| M.Q. Riding** | Chesapeake Utilities | Affected Energy Provider |
| Scott Lynch | Delaware Municipal Electric Corporation | Affected Energy Provider |
| Vacant** | | Environmental Sector |
| Sanjay Kapuria | Jaykal LED Solutions | Commercial Sector |
| Vacant** | | Agricultural Sector |
| Charles Kistler** | Help Initiative, Inc. | Low-income Sector |
| Cassandra T. Marshall | Quaker Hill Neighborhood Association | Residential Sector |
| Michael Messer | Delaware Energy Users Group | Manufacturing Sector |
| Joseph Schorah | Sheet Metal Workers Local Union 19 | Delaware Sustainable Energy Utility* |
| State Senator Harris B. McDowell, III (D, Wilmington) | State Senate | Delaware Sustainable Energy Utility |

*As Executive Director of DESEU, Tony DePrima has been given the proxy of one of the DESEU Council members on an "as needed" basis. Mr. DePrima has also been a key contributor to the EEAC throughout 2017.

** Although they no longer serve on the Council, DNREC and the Council would like to thank the following members for their time and service during 2017: Bill O'Brien, representing Chesapeake Utilities; Amy Roe, representing the Environmental Sector; Carl Johnson, representing the Agricultural Sector; and John Sykes, representing the Low-Income Sector. The Council welcomed two new members, Charles Kistler, representing the Low-income Sector, and M.Q. Riding, representing Chesapeake Utilities.

# From the Chair

Dear Delawareans,

The Energy Efficiency Advisory Council ("EEAC" or "Council") is composed of a variety of energy efficiency stakeholders appointed by the Cabinet Secretary of the Department of Natural Resources and Environmental Control (DNREC). Since its creation in 2014, the EEAC has worked to assist the state's energy providers in developing and deploying energy efficiency programs that are cost-effective, reliable, and feasible for customers across residential, low income, and commercial and industrial (C&I) sectors. The efforts of the EEAC are part of a movement in Delaware to prioritize energy efficiency as a resource with proven economic and environmental benefits.

In this third Annual Report, I am pleased to report on several firsts from 2017, including the first evaluation of a council-accepted program, the first application by an affected energy provider to the Public Service Commission for energy efficiency programs under the 2014 Energy Efficiency Amendments to the Delaware Energy Act,[1] the creation of the first state-wide energy efficiency database, and the first estimates of energy savings from the Weatherization Assistance Program using Delaware-specific data.

This report summarizes progress made towards the energy savings goals established by the Council, including the results of continuing programs offered by DNREC and Delaware Sustainable Energy Utility (DESEU) and the streetlight program offered by Delaware Municipal Electric Corporation (DEMEC). The EEAC accepted Delmarva Power's proposed efficiency portfolio and recommended it be approved by the Public Service Commission. As of this writing, the application is still pending before the Commission, with resolution expected in 2018. Other Council activities conducted in 2017 included recommending changes to the evaluation, measurement, and verification (EM&V) regulations, optimizing low-income efficiency programs, and considering new energy efficiency opportunities for future programs.

This past year has seen some turnover in Council membership, but we remain optimistic that the collaboration of affected energy providers, interested stakeholders, and energy professionals will continue to bring the benefits of energy efficiency to Delaware energy consumers. In 2018, the Council will use its ever-growing knowledge of energy efficiency concepts to review and assess current and planned electric and gas efficiency programs, consider the results of program evaluations, and begin considering the available efficiency potential for 2020 and beyond. I look forward to another successful year of working with the Council on these tasks and to advance energy efficiency in our state.

Sincerely,

Robert Underwood

**DNREC** – Energy Program Administrator
**EEAC** - Chair

[1] 29 Del.C. § 8059 (h)

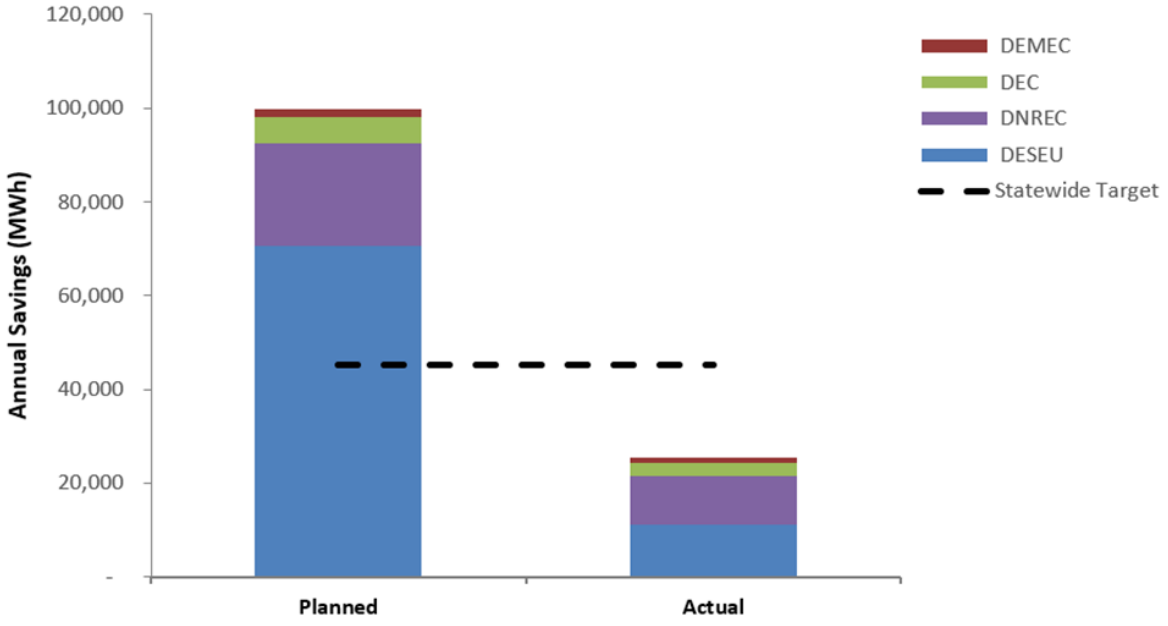
# 2017 Program Results

## Summary of Progress towards Goals

Council-accepted energy efficiency programs from 2017-2019 are currently being administered by DNREC, DESEU, DEMEC, and Delaware Energy Cooperative (DEC). Delmarva's portfolio was accepted by the Council and is currently being considered by the Public Service Commission.[2] Figure 1 shows electric program savings to date compared to planned savings and the statewide target. Electric savings data in this report are presented in megawatt hours (MWh) or kilowatt hours (kWh). Important factors to note for this figure are:

- While the goals were set to begin in 2017, the Council agreed to allow program administrators to include verified savings generated in 2016 towards the 2017 program year. Therefore, Program "Year" One consists of both 2016 and 2017.
- The column on the left labeled "Planned" shows the planned savings for the four unregulated program administrators who submitted electric plans. As described elsewhere, Delmarva's plan is pending before the Commission and is therefore not reflected in this figure.
- The column on the right labeled "Actual" shows program results through the end of 2017, where data were available.
- Actual program results were less than planned for a variety of reasons. For the DESEU, much of the difference is accounted for by the Energy Savings Performance Contracting program, which represented roughly half of planned savings. These projects are taking longer to complete than anticipated, and although only one project was funded in Program Year One, the program is expected to deliver more savings in 2018 and 2019. Other DESEU programs such as Green Schools and Multifamily have seen audit activity that is expected to translate into actual project savings in the coming years. For DNREC, the EEIF and E2I programs were launched later than initially planned, in part due delays in the availability of program funds.

**Figure 1: Program Year One, 2016 & 2017 Electric Savings Compared to Planned and Target**



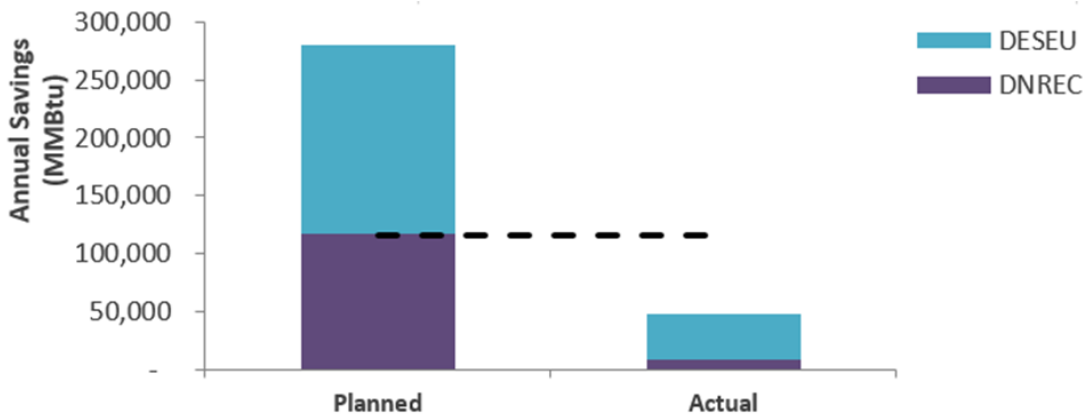

[2] Chesapeake Gas has not yet presented a program plan to the Council for approval, but intends to do so later in 2018 after a decision by the PSC on Delmarva's electric program filing.

# 2017 Program Results

## Summary of Progress towards Goals (Continued)

Figure 2 presents similar information for gas program savings. Neither Delmarva nor Chesapeake Gas have presented gas program plans to the EEAC or filed plans with the Public Service Commission. Gas savings data in this report are presented in million British thermal units (MMBtu).

**Figure 2: Program Year One, 2016 & 2017 Gas Savings Compared to Planned and Target**




Tables 1 and 2 provide a closer look at the specific electric and gas programs that reported savings toward the 2016-2017 savings target, actual savings include both preliminary (unevaluated) and evaluated results.

**Table 1: Program Year One, 2016 & 2017 Electric Savings (MWh) Program Detail**

| Program Admin. | Program | Planned | Actual | Results as % of Planned |
|---|---|---|---|---|
| DEMEC | Streetlights | 1,442 | 1,093 | 76% |
| DESEU | Affordable Multifamily Housing Program | 120 | N/A | |
| DESEU | Faith Efficiencies Partnership | 254 | 14 | 6% |
| DESEU | Green for Green | 69 | 299 | 436% |
| DESEU | HPwES Program | 2,724 | 1,078 | 40% |
| DESEU | Nonprofit Energy Assessments | 2,200 | 90 | 4% |
| DESEU | Pathways to Green Schools | 1,094 | N/A | |
| DESEU | Performance Contracting | 48,933 | N/A | |
| DESEU | Quick Home Energy Check Up | 5,571 | N/A | |
| DESEU | Revolving Loan | 9,641 | 8,210 | 85% |
| DESEU | ZeMod Delaware | 86 | N/A | |
| DESEU | Farm Program | N/A | 47 | |
| DESEU | Energy Efficiency Investment Fund (DESEU Funded) | N/A | 1,429 | |
| DNREC | Energy Efficiency Industrial (E2I) | 7,081 | N/A | |
| DNREC | Energy Efficiency Investment Fund (EEIF) | 14,651 | 9,909 | 68% |
| DNREC | Weatherization Assistance Program (WAP) | 175 | 466 | 266% |
| DEC | C&I Lighting | 2,392 | 554 | 23% |
| DEC | Exterior Pole Lighting | 735 | 320 | 44% |
| DEC | Geothermal Heat Pump Grants | 263 | 263 | 100% |
| DEC | Heat Pump Water Heater Grants | 16 | 8 | 50% |
| DEC | LED Residential Program | 1,781 | 807 | 45% |
| DEC | Poultry Farm LED | 436 | 868 | 199% |
| DEC | Low Income | N/A | 1 | |
| ***Statewide Total*** | | ***99,664*** | ***25,457*** | ***26%*** |

*Notes: Where "N/A" appears, results are not available due to reporting or program limitations. Electric savings are reported in megawatt hours (MWh).*

# 2017 Program Results

## Summary of Progress towards Goals (Continued)

**Table 2: Program Year One, 2016 & 2017 Gas Savings (MMBtu) Program Detail**

| Program Admin. | Program | Planned | Actual | Results as % of Planned |
|---|---|---|---|---|
| DESEU | Affordable Multifamily Housing Program | 700 | N/A | |
| DESEU | Faith Efficiencies Partnership | 1,548 | N/A | |
| DESEU | Green for Green | 59 | 1,408 | 2386% |
| DESEU | HPwES Program | 7,382 | 24,689 | 334% |
| DESEU | Nonprofit Energy Assessments | 7,796 | 229 | 3% |
| DESEU | Pathways to Green Schools | 6,916 | N/A | |
| DESEU | Performance Contracting | 119,457 | N/A | |
| DESEU | Revolving Loan | 15,376 | 10,359 | 67% |
| DESEU | Farm Program | 4,125 | 952 | 23% |
| DESEU | Energy Efficiency Investment Fund (DESEU Funded) | N/A | 1,499 | |
| DNREC | Energy Efficiency Industrial (E2I) | 61,184 | N/A | |
| DNREC | Energy Efficiency Investment Fund (EEIF) | 48,146 | 1,831 | 4% |
| DNREC | Weatherization Assistance Program (WAP) | 7,417 | 6,661 | 90% |
| ***Statewide Total*** | | ***280,106*** | ***47,628*** | ***17%*** |

*Notes: Where "N/A" appears, results are not available due to reporting or program limitations.*
*Gas savings are reported in million British thermal units (MMBtu).*

## Results by Program Administrator and Program

### Department of Natural Resources and Environmental Control

#### *Energy Efficiency Investment Fund*

After substantial program activity in 2015 and 2016, DNREC briefly paused implementation of the EEIF program due to lack of funds. Through the use of RGGI funds, the program resumed in November 2017 and has already received substantial interest and a steady flow of applications. While the majority of projects completed are for prescriptive lighting, the relaunched EEIF has funded a range of measure types. Recent projects awarded EEIF funds or with applications pending include savings from heating, ventilation, and air conditioning (HVAC) measures; combined heat and power (CHP); and refrigeration upgrades. Table 3 presents the preliminary savings from program year one. When evaluated and accepted by the Council, these will contribute towards the 2017-2019 savings targets.

*The **Energy Efficiency Investment Fund program (EEIF)** provides financial incentives to Delaware businesses, local governments, and non-profits to make building and technology upgrades that result in energy, peak demand, and operating cost savings.[3] The program includes both prescriptive incentives designed to reduce paperwork and administrative costs for common efficiency measures and a custom incentives pathway that supports more complex and comprehensive projects. EEIF is funded by the Public Utility Tax and one time allocations from the Pepco-Exelon merger settlement and the Regional Greenhouse Gas Initiative (RGGI).*

**Table 3: EEIF Program Year One, 2016 & 2017 Performance-Unevaluated Savings**

| | |
|---|---|
| Annual Electric Savings (kWh) | 9,908,875 |
| Annual Demand Savings (kW) | N/A |
| Annual Gas Savings (MMBtu) | 1,831 |
| Participants (# of businesses) | 136 |

[3]EEIF is funded through an existing Public Utility Tax specified in statutes 29 Del.C. § 8030 and 30 Del.C. § 5502.

# 2017 Program Results

## Results by Program Administrator and Program (Continued)

### Department of Natural Resources and Environmental Control

### *Weatherization Assistance Program*

*The **Weatherization Assistance Program (WAP)** provides energy retrofits to reduce energy costs for low-income Delaware households. All WAP participants receive a comprehensive home energy audit and a set of basic measures installed by the WAP contractor. Additional measures may be installed based on the audit, and may include weatherization (e.g., sealing leaks and patching holes in the building), heating system repairs or replacements, insulation, and ventilation measures. The WAP program is funded through a variety of sources, including the U.S. Department of Energy (DOE), proceeds from RGGI, a portion of Low Income Home Energy Assistance Program (LIHEAP) funds, and contributions from Delmarva. Eligibility for DE WAP is defined as household income at or below 200% of U.S. Office of Management and Budget (OMB) poverty income guidelines.*

*Insulation is a common WAP measure. The picture above depicts spray foam insulation.*

Although WAP has been operating in Delaware since 1976, energy savings from the program were not verified or calculated using Delaware-specific information until 2017. A new analysis of customer energy usage data and application of the Delaware Technical Reference Manual (TRM) determined that annually, participants are saving about 381 kWh per home without electric heat and 1,935 kWh per home with electric heat. Participants are also saving on average 15.8 MMBtu per home per year from reduced natural gas, oil, and propane use. Table 4 presents preliminary savings from 2016 and 2017.

An important development during 2017 was the establishment of a Pre-Weatherization Assistance Program, called "Pre-WAP," funded through DESEU. Some homes cannot receive WAP services because of problems with combustion sources, electrical wiring, or other safety concerns. The Pre-WAP reviews these homes and, where feasible, performs repairs to make them "weatherization-ready." Pre-WAP has greatly increased the number of homes eligible for WAP, many of which may never have participated without this added assistance.

**Table 4: WAP Program Year One Performance-Unevaluated Savings**

| | |
|---|---|
| Annual Electric Energy (kWh) | 466,329 |
| Annual Electric Demand (kW) | 165 |
| Annual Gas Energy (MMBtu) | 6,661 |
| Participants (# of households) | 579 |

## Results by Program Administrator and Program (Continued)

### Delaware Sustainable Energy Utility

### *Home Performance with Energy Star*

*DESEU offers Delaware residents and businesses a variety of energy efficiency programs through its Energize Delaware program. One of the key components of this resource is the* ***Home Performance with ENERGY STAR (HPwES) Program****, 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; they also receive several energy-saving items at no additional cost, including energy -efficient light bulbs, efficient-flow showerheads, faucet aerators, pipe insulation, and smart power strips. In addition, financial incentives are provided to reduce the cost of more comprehensive efficiency measures such as insulation, air sealing, and equipment upgrades. 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 offered at significantly reduced costs to income-qualified Delaware property owners and renters.*

In 2017, DESEU contracted with an engineering consulting firm to perform an impact evaluation of the HPwES and Assisted HPwES programs. The evaluation involved several related tasks, including review of the project tracking database and initial energy savings calculations, on-site inspections of a sample of homes, and a billing analysis. Table 5 reports evaluated results from 2016 and preliminary results from 2017.

**Table 5: HPwES Program Year One Performance-Evaluated Savings (2016 Only)**

| | |
|---|---|
| Annual Electric Energy (kWh) | 491,002 |
| Annual Gas Energy (MMBtu) | 1,324 |
| Participants (# of households) | 1,457 |

### *Preliminary Results from other DESEU Programs*

Unevaluated energy savings realized in 2016 from DESEU's numerous other programs are listed in Table 6. The DESEU program with the most electric savings in program year one was the Revolving Loan Fund. The program provides 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. In 2017, the program closed 13 loans totaling $5,317,494.

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

**Table 6: DESEU Efficiency Program Year One Performance-Unevaluated Savings**

| Program | Annual Electric Savings (kWh) | Annual Thermal Savings (MMBtu) |
|---|---|---|
| Faith Efficiencies Partnership | 14,259 | N/A |
| Green for Green | 299,000 | 1,408 |
| Nonprofit Energy Assessments | 90,490 | 229 |
| HPwES Program | 587,305 | 23,365 |
| Revolving Loan | 8,209,557 | 10,359 |
| Farm Program | 47,408 | 952 |
| EEIF (DESEU Funded) | 1,429,003 | 1,499 |
| ***Total*** | ***10,677,022*** | ***37,812*** |

*Note: HPwES savings in this table reflect unevaluated results for 2017 only.*

## Results by Program Administrator and Program (Continued)

### Delaware Municipal Electric Corporation

#### *LED Streetlight Conversion*

*DEMEC's **Streetlight Conversion program** was created to provide its utility members with reduced prices on LED street lighting fixtures. The cost of purchasing an LED streetlight can be significantly higher compared to a high pressure sodium (HPS) fixture. Despite higher costs, LED streetlights offer several advantages compared to HPS, which include reduced energy bills, reduced operations and maintenance costs, and the option of dimming controls. In early 2015 DEMEC issued a public request for proposal and selected a supplier to provide a group discounted price on qualifying LED fixtures. Refer to the back page of this report for photos of measures and streetlight installation from this program.*

In 2017, DEMEC contracted for an evaluation, measurement, and verification (EM&V) study of nearly 2,500 LED streetlight fixtures installed by five of its nine municipalities in 2016. The evaluator reviewed program savings calculations and conducted field visits to confirm a sample of installations. The results were presented to the Council in September and were unanimously accepted.

**Table 7: Streetlights Program Year One Performance—Evaluated Savings (2016)**

| | |
|---|---|
| Annual Electric Energy (kWh) | 1,093,329 |
| Number of streetlights | 2,457 |
| Expenditures | $818,418 |
| Total Resource Benefit (including O&M) | $3,109,988 |
| Benefit-cost ratio | 3.8 |

### Delaware Electric Cooperative

*The **Delaware Electric Cooperative (DEC)** has implemented several small efficiency programs in the past several years 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's portfolio of programs continued to deliver savings in 2016 and 2017. Although they have not yet been evaluated, they represent an important contribution to the state's efficiency efforts. Table 8 summarizes results from Program Year One.

**Table 8: DEC Program Year One Performance—Unevaluated Results**

| Program | Annual Energy Savings (kWh) | Annual Demand Savings (kW) | Quantity* |
|---|---|---|---|
| C&I Lighting | 553,828 | 51 | 334 |
| Exterior Pole Lighting | 319,894 | N/A | 1,627 |
| Poultry Farm LED | 868,208 | 86 | 5,519 |
| Geothermal Heat Pump Grants | 262,743 | 118 | 67 |
| Heat Pump Water Heater Grants | 8,171 | 6 | 6 |
| LED Residential Program | 806,507 | 74 | 18,386 |
| Low Income Program | 1,475 | N/A | 2 |
| Total | 2,820,826 | 335 | N/A |

**Quantity refers to the number of measures or participants depending on program*

# New and Updated Program Plans

***The following section discusses specific energy provider portfolio plan updates and program changes made in 2017. The Council has reviewed changes to existing programs, new programs added to DESEU's portfolio, and portfolio plans from DEC and Delmarva.***

## Department of Natural Resources and Environmental Control

No changes have been made to planned 2017-2019 targets for DNREC's energy efficiency programs. Table 9 shows the planned savings from DNREC's programs in 2018 and 2019. While there were no changes to the savings targets, there are some program updates to report, described in the sections below.

**Table 9: DNREC Program Year 2 & 3 Planned Savings**

| | Program | Program Year 2 (2018) | Program Year 3 (2019) | Total |
|---|---|---|---|---|
| **Electric (kWh)** | E2I | 7,081,000 | 7,081,000 | 14,162,000 |
| | EEIF | 14,651,000 | 14,651,000 | 29,302,000 |
| | WAP | 198,000 | 226,000 | 424,000 |
| | ***Total*** | ***21,930,000*** | ***21,958,000*** | ***43,888,000*** |
| **Gas (MMBtu)** | E2I | 61,184 | 61,184 | 122,368 |
| | EEIF | 48,146 | 48,146 | 96,292 |
| | WAP | 7,417 | 7,417 | 18,007 |
| | ***Total*** | ***1,177,800*** | ***1,188,870*** | ***236,667*** |

### *Energy Efficiency Industrial*

In the third quarter of 2017, DNREC launched its Energy Efficiency Industrial (E2I) program. The program is designed to support the unique needs and complex energy projects of industrial and large commercial businesses within Delmarva service territory. As of January 2018, E2I has one application pending approval.

### *Energy Efficient Investment Fund*

The EEIF provides financial incentives to Delaware businesses, local governments, and non-profits for prescriptive and custom measures. In 2017, the EEIF Program was revised to include grants for combined heat and power (CHP) projects, which has the potential to significantly increase program savings. Along with the program relaunch, DNREC has been working to move the EEIF program application process online to help streamline the application process. EEIF online applications are expected to be available in 2018.

### *Weatherization Assistance Program*

The Delaware Weatherization Assistance Program contracts with a "local provider" to manage the day-to-day operations of the program , which includes, conducting energy audits and managing local weatherization contractors. In August of 2017 a Request for Proposal was issued, and two organization were awarded contracts: Energy Coordinating Agency in New Castle County and Catholic Charities in Kent and Sussex counties. The new contracts with these local providers began on April 1, 2018.

# New and Updated Program Plans

## Delaware Sustainable Energy Utility

In May 2017, DESEU presented an operating plan for its 12 energy efficiency programs to the Council. The plan outlines program design and protocols and establishes an EM&V approach for each program. The Council voted unanimously to accept the operating plan. Subsequent to this, DESEU developed two new programs: the Zero Energy Modular Homes (ZeMod) program and the Affordable Multifamily Housing Program. ZeMod was added to help low income Delawareans buy affordable, zero energy modular homes designed to replace manufactured homes.

*DESEU ZeMod Homes Program Ribbon Cutting*

The Affordable Multifamily Housing Program was created to help owners of affordable multifamily housing make energy efficiency and renewable energy investments that save money on operating costs, reduce utility use, and improve the living environment for residents. The planned savings for these and continuing programs are shown in Table 10.

**Table 10: DESEU Program Year 2 & 3 Planned Savings**

| | Program | Program Year 2 (2018) | Program Year 3 (2019) | Total |
|---|---|---|---|---|
| Electric (kWh) | Affordable Multifamily Housing | 385,600 | 531,201 | 916,801 |
| | Zero Energy Modular Homes | 171,280 | 171,280 | 342,560 |
| | Continuing Programs | 39,849,500 | 40,646,490 | 80,495,990 |
| | ***Total*** | ***40,406,380*** | ***41,348,971*** | ***81,755,351*** |
| Gas (MMBtu) | Affordable Multifamily Housing | 2,212 | 3,024 | 5,236 |
| | Continuing Programs | 83,972 | 85,651 | 169,623 |
| | ***Total*** | ***86,184*** | ***88,675*** | ***174,859*** |

## Delaware Municipal Electric Corporation

DEMEC is expected to submit expansions to their program plan in early 2018. The expansion is an energy efficiency program for residential and C&I customers. The program offering includes incentives for retail lighting, appliances, and appliance recycling, business products and custom measures. The C&I program also includes a commercial product incentive and a technical services component to assist customers with finding applicable energy efficiency measures and planning a course of action. This program began in March 2018.

# New and Updated Program Plans

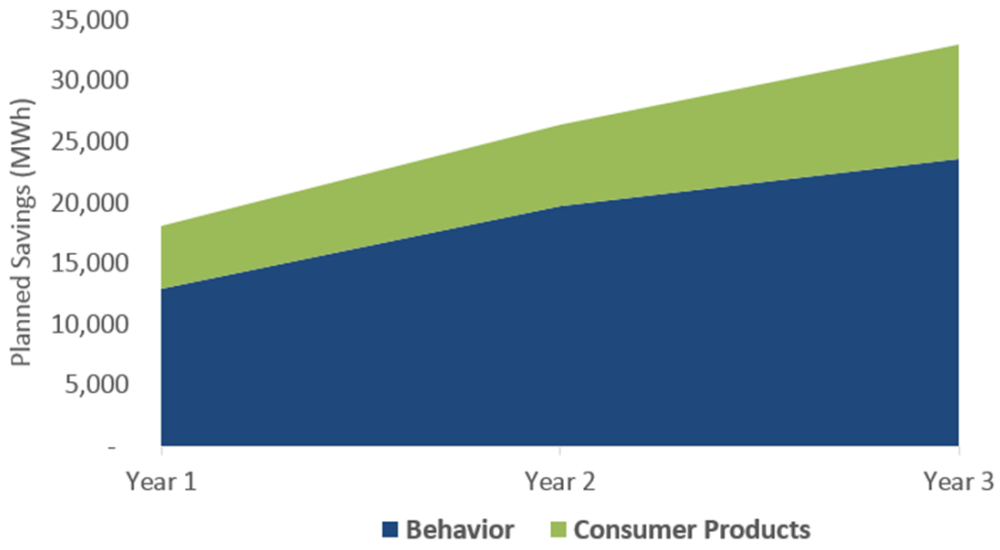
## Delaware Electric Cooperative

After an initial program plan for DEC was presented in March 2016, a revised DEC program portfolio for 2016 and 2017 was presented to the Council in June 2017. The presentation included overviews of their projected commercial/industrial and residential programs, with preliminary results included for 2016, and revised 2017 savings estimates for the Heat Pump Water Heater Program, the Geothermal Heat Pumps Program, the Residential LED program, and the C&I Lighting Program. The plan did not present any projected savings or program descriptions for 2018 and 2019. DEC is expected to submit an updated plan in the first half of 2018.

## Delmarva

Delmarva presented their three year program portfolio and cost recovery plans to the Council in the first half of 2017. The savings from the two programs in the portfolio are shown in Figure 3 below. Delmarva requested that the Council recommend the plans to the Public Service Commission (PSC) for approval; the Council unanimously voted in support of this. The plan is still pending approval by the PSC. The delayed process for approving Delmarva's program has resulted in uncertainty about the timing of allocating any savings towards statewide targets. Upon approval, Delmarva's programs are expected to be launched in 2019.

**Figure 3: Delmarva Filed Programs Electric Savings**




## Chesapeake Utilities

Although Chesapeake is committed to providing cost-effective efficiency programs, they have not proposed any energy efficiency programs to date. Chesapeake is expected to proceed with program planning after the resolution of Delmarva's filing with the Public Service Commission.

# Other Activities

## Evaluation, Measurement, & Verification Progress

In 2016, DNREC developed regulations that address efficiency program evaluation, measurement, and verification (EM&V)[4]. These regulations were approved in January 2017 and are the foundation for producing validated savings claims. They define the procedures and standards that will be used to demonstrate, document, and report compliance with the energy savings targets. After they were promulgated, the EM&V Committee (described below) developed a guidance document that provides a more accessible version of this information for use by program administrators and other stakeholders. The process of revising the regulations began again in late 2017, with re-promulgation expected in 2018.

In 2017, two program evaluations were brought before the Council for review: DEMEC's Street Lighting program and DESEU's HPwES program. The EEAC's consultants and the EM&V Committee reviewed both evaluations, provided feedback to the program administrators and their evaluators, and recommended that both evaluations be accepted and the savings counted towards the statewide goal. The Council approved DEMEC's Street Lighting evaluation in September, and DESEU's HPwES evaluation in November.

*HPwES participants. The evaluation of 2016 HPwES program results were approved by the Council.*

## Councilor Education

Learning was a key action item emphasized in Council meetings during 2017. Table 11 highlights the topics presented to the Council over the course of the year. Some presentations offered deeper insights into important topics introduced 2016. For example, the presentation on EM&V helped to clarify questions and demonstrate the importance of EM&V in energy efficiency programs. This topic is of particular importance for the Council and program administrators to understand, as there are several programs that have not yet been evaluated. Other presentations covered the industrial sector and analyses relevant to low income programs.

**Table 11: Learning Topics Covered During EEAC Meetings in 2017**

| Date | Topic |
|---|---|
| March 8 | EM&V |
| April 12 | Energy Efficiency Financing |
| May 10 | Net Energy Impacts |
| September 13 | Energy Star Industrial Plants Program |
| September 13 | Energy Burden Mapping Tool |

[4] 29 Del.C. § 8059(h)(3)

# Other Activities

## Developing Statewide Efficiency Data

The Council has been proactive in ensuring the ability to measure statewide progress and compare program administrator performance by establishing a consistent data collection process. In 2017, DESEU retained Energy Orbit to develop an energy efficiency database that will collect project level data across multiple programs and program administrators. DESEU and DNREC are currently using the database to track the progress of their programs and other program administrators are in the process of assessing how best to provide information on their programs so that all efficiency progress in the state can be found in one location.

## EM&V Committee Update

The EM&V Committee, a subgroup of the Council, works to address aspects of planning, managing, overseeing, and reporting of all EM&V activities in Delaware. In 2017, the Committee reviewed revisions to the Mid-Atlantic Technical Reference Manual (TRM) on which the Delaware TRM is based and debated the merits of including Delaware specific measures. The Committee also worked to complete the EM&V Guidance Document, which was created to provide a "plain language" resource regarding EM&V procedures, schedules, roles and responsibilities. In working on the Guidance Document, the Committee identified several changes needed for the EM&V Regulations themselves, which will be conveyed to DNREC for consideration in the next round of promulgation.

## Low Income Committee Update

The Low-Income Committee, a subgroup of the Council, was created in 2016 to support all Delaware low-income energy efficiency programs and initiatives by providing feedback and guidance on the development and implementation of cost-effective program offerings. Stakeholders to the Committee include Council members (including utility representatives), state agencies, community action agencies, community-based organizations, faith-based organizations, and community foundations. In June 2017, the Low Income Committee presented its recommendations for the disbursement of four million dollars in settlement funds from the merger between Pepco and Exelon. The recommendations were unanimously accepted by the Council. Following the approval of the settlement funds disbursement plan, the Committee has been working to establish a document outlining its future role and responsibilities.

# Looking Forward

The Council's actions in 2017 represent the first major steps in shifting from a focus on establishing a new framework for energy efficiency in Delaware towards the implementation of cost-effective programs that will save customers money and reduce environmental impacts from energy production. In 2018, this shift will continue. The resolution of the Delmarva program filing will be an important milestone and will inform the Council's deliberations regarding the next program cycle, likely to begin in late 2018.

Additional activities expected in 2018 by DNREC, the Council, and the subcommittees include the following:

- Participating in hearings before the PSC regarding Delmarva's proposed programs
- Reviewing additional program plans submitted by program administrators, including expected expansions by DEMEC and new proposals from DEC.
- Beginning to consider the available potential for efficiency in 2020 and beyond.
- Reviewing evaluations of program results for DNREC, DESEU, and DEC programs.

# EEAC "FIRSTS" IN 2017

***In 2017, the Council realized the first:***

- Energy efficiency program brought to the Council with evaluated energy savings (see photos below)
- Application by an affected energy provider to the Public Service Commission for energy efficiency programs, under the 2014 Energy Efficiency Amendments to the Delaware Energy Act
- State-wide energy efficiency database
- Estimates of energy savings from the Weatherization Assistance Program using Delaware-specific data

***Stay informed and watch for more "firsts" in 2018***

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*Photos from DEMEC's Streetlight Conversion program. This program was evaluated in 2017.*

**Stay informed: The EEAC meets on the second Wednesday of each month.**
**Meeting agendas, minutes, and other materials are available on the EEAC website at:**

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