# CITY OF NEWARK
# DELAWARE

## CONSERVATION ADVISORY COMMISSION
## MINUTES

April 6, 2017

**MEETING CONVENED:** 7:05 p.m. Council Chambers

**MEMBERS PRESENT:** George Irvine (presiding), Ajay Prasad, Sheila Smith, John Wessells, John Horner

**ABSENT:** Kismet Hazelwood, Jason Kramer, Bob McDowell, Kass Sheedy

**STAFF**: Tara Schiano, Deputy City Secretary

Mr. Irvine called the meeting to order.

1. **APPROVAL OF MINUTES FROM MEETING HELD ON FEBRUARY 14, 2017**

**MOTION THAT THE MINUTES FROM THE FEBRUARY 14, 2017 MEETING BE APPROVED AS RECEIVED.**

**MOTION PASSED UNANIMOUSLY**

*(Secretary's Note: The March 14, 2017 CAC Meeting was cancelled because of the closure of the City of Newark for inclement weather.)*

2. **PUBLIC COMMENT**

Olivia Hazelwood came forward to introduce herself and stated that she was at the meeting for a school project. Alexandra Cortez, a University of Delaware student, came forward to introduce herself and stated that she was at the meeting to take notes for a Public Policy class she is taking. Dave Del Grande, Finance Director, came forward to formally introduce himself to the board members. There was no further public comment.

3. **GUESTS: SCOTT LYNCH – DMEC AND AMP (AMERICAN MUNICIPAL POWER)**

Mr. Irvine started the meeting with a quick introduction of the purpose of the Conservation Advisory Commission. Scott Lynch, Delaware Municipal Electric Corporation (DMEC), came forward to introduce his presentation. Mr. Lynch noted that this is a revisit of a presentation given to the CAC and to City Council last year. Mr. Lynch stated that DMEC has been working on this project for almost two years and gave some background about the steps that have led to this point in the project. Mr. Lynch advised that, in June, the DMEC board members will vote yes or no on this project. Mr. Lynch clarified that the board members are the town or city managers for each of the 9 municipalities in the State of Delaware that has its own electric distribution system. Ms. Smith asked if any municipality had said no to the project. Mr. Lynch advised no one had said no. Mr. Lynch stated that Randy Corbin from American Municipal Power was also present at this meeting. Mr. Lynch advised that American Municipal Power (AMP) is a joint action agency that is a bigger version of DMEC. Mr. Lynch stated that this program has been considered one of the best across the country and that it is the only program that offers an energy efficiency guarantee.

Mr. Corbin came forward and introduced himself as the Assistant Vice President for Energy Efficiency for American Municipal Power. Mr. Corbin advised he is the project manager of the Efficiency Smart program, which offers energy efficiency for its subscribing members. Mr. Corbin stated AMP is a joint action agency and a wholesale provider to 135 municipal electric utilities in 9 states. Mr. Corbin advised that AMP has been working with DMEC for about two years now. Mr. Corbin noted that this program started as a school project. Mr. Corbin explained that they began offering services in this program in 2011, with two 3 year contracts.

Mr. Corbin stated that an energy efficiency program is basically a series of services to support a series of initiatives to get the customer to utilize energy efficiency. Their program includes product rebates, incentives, engineering services, accounting management services, community engagement, marketing and promotions, customer service, performance tracking and evaluation measurement and verification of the savings that the program provides. Mr. Corbin stated there are many benefits for municipalities. He described projects that included LED streetlight conversions and water and wastewater treatment plants, which have shown 25-30% savings. Mr. Corbin advised that everyone in the community benefits from these projects because they lower the cost of doing business as a municipality. Mr. Corbin advised that AMP promotes local economic development in two ways. Mr. Corbin stated that they use local resources like contractors and lower the operating cost of businesses in the community. He pointed out that cutting businesses' costs of operating can make them more competitive.

Mr. Corbin showed that when a business cuts its usage, it cuts the power supply and transmission cost. Mr. Corbin stated that this benefits the whole community even if some do not personally participate in energy efficiency. Mr. Corbin stated that a revenue stream that comes out of this is that they have been able to bid in some of the capacity savings from the project into PJM's capacity, which they give back to the participants in the program. Mr. Irvine asked what PJM stood for. Mr. Corbin explained PJM is Pennsylvania, New Jersey, Maryland which is an energy market. Mr. Lynch added that with energy efficiency, there is the energy savings, which is the kilowatt hours being used, and there is efficiency peak, which helps lower the high rates used in peak seasons.

Dave Cawley of the Vermont Energy Investment Corporation came forward. Mr. Cawley explained that the Vermont Energy Investment Corporation is the contractor to AMP and has been in the business of energy efficiency for 30 years. Mr. Cawley stated that they have set up energy efficiency programs in many states including Vermont and District of Columbia and that they consult across the country. Mr. Cawley stated that they have learned that there are always barriers in the marketplace for higher efficiency. Some of these barriers are high cost of equipment, information and being able to get out and promote. Mr. Cawley advised that being able to help lower the cost of lighting or motors is what his company does. They also offer technical assistance and help customers assess what opportunities are available in their facilities to save money. Mr. Cawley advised that some customers look to him to evaluate a vendor proposal to make energy improvements and verify that it would be cost effective. Mr. Cawley noted that VEIC is seen as a source of objective information and that they do not promote any specific product.

One of the most important services VEIC offers is account management services. Mr. Cawley explained this operates at two levels. The first is that it is important that there is a representative for the community that is working with the community. This person would be responsible for meeting regularly with the City's stakeholders and informing them how the program is taking place. The second thing they would do is engage with the University and large business customers to find out what their priorities are. Mr. Cawley pointed out that they operate a toll-free hotline so that anyone from the community can call and ask questions about how to make their homes more efficient. Members of the community would be able to get that information on their website as well. Mr. Cawley stated that customizing a program for the community is important and that they work with communities that have colleges and universities, as well as large corporations. He stated that by working the stakeholders, they will be able to tailor where the savings will be coming from and what efforts they should be making. Mr. Cawley advised that they engage with the community by participating in community events and setting up education booths and displays. Mr. Cawley advised that this program is based on experience. Mr. Cawley explained that they set a target of what they would like community to achieve through their program and that they guarantee that target. If the community does not reach that target percentage, AMP will refund the difference. Mr. Cawley noted that of the 54 communities, they have never had to pay a refund. Mr. Cawley went through some examples of communities that had benefited from this program. Mr. Cawley advised that if the City already has an account manager, AMP's account manager will be able to work with them and integrate into their system to assist with account management. Mr. Cawley stated that they can also work with the community to leverage other programs that are being offered by the State, for example applying for loans, prepare technical reports and prepare grants.

Mr. Cawley moved on to specific services that would be offered to the City of Newark. Mr. Cawley showed the numbers of usage for Newark and advised that the program AMP is putting forward would reduce the energy sales by about ¼% annually over a 3-year period. Mr. Cawley advised this plan is comprehensive and would work with all customer classes, residential, commercial, industrial and institutional. This program is also performance based. Mr. Cawley stated that the annual costs of $400,000 would generate megawatt hour savings of about 3300 megawatt hours. Mr. Cawley advised that over the 3-year period it is about a $1.1 million cost. Mr. Cawley advised that the City would be avoiding energy transmission and distribution charges as well as peak capacity charges. These charges amount to the lifetime benefits that would accrue through the program which is close to $2.4 million. The program provides a benefit cost ratio of close to 2 to 1. This means that for 1 dollar of investment, the City is getting 2 dollars of avoided energy charges. Mr. Cawley stated that compared to the price of new power supply, this is 2-3 times cheaper than new power supply. This would come in at approximately $30.47 per megawatt hour. Mr. Cawley noted that when someone takes an energy efficiency action today, those savings go out over the life of the measures. On average, the whole package would have a measure life of about 12 years.

Mr. Prasad asked for clarification on the lifetime megawatt savings. Mr. Cawley stated that over a 12-year life, there are 39,000 megawatt hours of savings. Mr. Cawley advised that to get to that price, they look at the forecasted price of electricity over 20 years and they also look at the peak demand charges that would take place over that time period. They also consider the transmission and distribution charges. Mr. Cawley advised that this a cash flow that runs out over the life of the program to generate the economic benefits. Mr. Cawley stated this is what is known as a utility test, which takes the lifetime benefits and divides by the utility cost of the program.

Mr. Irvine asked if this cost would need to be built into the City's budget. Mr. Lynch answered that the cost is built into the wholesale cost of electricity that DMEC provides to the City of Newark. He advised this will not add any additional cost for the City to implement this program. Mr. Lynch advised that in December, the cost was included in the wholesale rate to accelerate a revenue reserve that the board had already chosen. In June, the opportunity would be to take the accelerant, which is already matched to the program cost included in the wholesale, to divert it from continuing to go into the revenue reserve fund and fund this program or to continue to put it in the revenue reserve fund. No additional cost would be incurred. The wholesale rate that would be diverted would be 90 cents per megawatt hour. Mr. Lynch advised that right now, the City pays 36 cents per megawatt hour for the Green Energy Fund; this project would add 90 cents on top of that.

Mr. Del Grande advised that looking at a household electricity bill, this would add 70 cents per month to that. Mr. Cawley stated that, as an example, on an annual basis, two LED light bulbs would offset the cost of the program to a residential customer. Mr. Lynch also pointed out that the ability of DMEC to mitigate the highest rates of the year during the peak capacity times, would increase the overall savings.

Mr. Irvine asked if this would be a contract that AMP would have with DMEC, and whether there would be a subcontract with the Vermont Energy Investment Corporation. Mr. Lynch advised that was correct. He stated there would be a contract between DMEC and AMP and that there is already a contract between AMP and VEIC, which would be the bilateral. Mr. Irvine asked what the set target would be. Mr. Cawley advised that the target is ¼% of the latest sales data provided. Mr. Irvine asked if the guarantee would be for 70% of a ¼%. Mr. Lynch advised that was correct. Mr. Irvine asked why the goal was aimed so low at less than 1 percent over 3 years. Mr. Lynch stated that they had done research on other options, but the initial feedback that DMEC had found that the legislation in place said that municipalities may elect to institute a program of their choosing. Mr. Lynch stated that because it is not a requirement, it was felt that municipalities should start a low increment and see how it goes. If there is robust interest, Newark could always increase and do more. Mr. Cawley advised that the commission should look at the ¼% as a starting point. Mr. Cawley advised there were other programs with options higher than ¼ of a percent, however, DMEC board felt that this was a good starting point to show people how it works. Mr. Irvine felt that the number should be raised. Mr. Irvine praised the model and the presentation, but thought that ¼% was not enough because of the projects Newark has already completed, such as the LED lights. Mr. Irvine asked if it was possible for Newark to push further than the other municipalities. Mr. Lynch advised that it was possible. Mr. Lynch advised that DMEC's goal was to bring a recommendation to all members as a baseline to start the project; however, if any members wish to do more they are happy to facilitate that. Mr. Irvine asked how a more aggressive plan would work. Mr. Cawley advised it was possible to step up the goal to ½% or 1% this would mean that more dollars would go into the program, but that the program would be even more cost effective. Mr. Cawley advised the 2 to 1 ratio would move up to 2.5 to 1. Mr. Cawley advised that more promotions would take place in the community and that there would be more dedicated staff. Mr. Cawley stated that as a start-up it would not change the process.

Mr. Prasad asked if there was an example of a start-up for communities looking to take a more aggressive approach to energy efficiency. Mr. Cawley stated that the presentation they had given was for the basic option. The high-performance option is geared to save ½% of the annual energy sales. This plan is priced at $1.40 per megawatt hour. The enhanced performance option is geared toward saving 1% of the annual energy sales, priced at $2.60 per megawatt hour. Mr. Irvine asked if the cost increases were justified because of the increased level of effort. Mr. Cawley advised that it is a change of intensity of effort, incentives, promotion, more visits from account managers, etc.

Mr. Irvine pointed out that the lifetime benefits were based on a 12-year period, but the costs were based on a 3-year period. Mr. Irvine asked if communities tended to keep AMP on board for years 4-12. Mr. Cawley advised in his experience, they do. Mr. Irvine asked if the ratios of benefits to cost tend to stay the same. Mr. Cawley advised they do. Mr. Cawley noted the benefit of technology. For example, firms that came in and did lighting projects are now coming back to put in LED technology. Mr. Cawley also described the industrial curve. He stated that as one goes up in industry, there are more projects to complete. He stated that about 30% of their projects are with returning clients. Mr. Horner asked if their strategy was to go for the largest electric consumers in a given community, for example universities and businesses. Mr. Cawley advised that he believes businesses reap the most benefits out of this program, but it depends on where the most need is within the business. Mr. Cawley noted that their engineers go into these businesses and tailor the program to that business' needs.

Mr. Horner asked where AMP finds its customers. Mr. Horner also pointed out that AMP has many large-scale customers and asked how the smaller businesses benefit from this program. Mr. Cawley answered that one of their programs is called Business Energy Rebates which provides businesses with a list of energy efficient appliances and products which the business can choose from when they do replacements and that these products provide incentives. For promotion, AMP uses all forms possible. Mr. Cawley advised that when they start a project in a community, they do a direct mail notice which lets everyone know the offer. For businesses, AMP works with the Chamber of Commerce or other groups to have a round table discussion with businesses to announce the program. Bill inserts are an option as well as social media. Mr. Cawley advised that tracking savings on a dashboard is very important to AMP. Mr. Lynch advised that the first 3 years are looked at because it is when the community is introduced to the program. The goal is that after the first 3 years, the community becomes more involved with the program.

Mr. Irvine asked how it would be possible to desegregate Newark's cost if they chose a more aggressive plan, since the cost of the basic plan is split equitably across the 9 municipalities in Delaware. Mr. Lynch advised that the basic program would be paid by all members and those that wanted to be more aggressive would be billed for the additional cost. Mr. Irvine asked if it could be worked into the rate. Mr. Lynch advised that whatever resolution Newark came up with was possible. Mr. Del Grande stated that any change over what is built into the budget would require the commission to go back to Council to fund it. Mr. Del Grande suggested going with the plan that was rolled out this evening and not changing the rate for this year. Mr. Del Grande felt it would be more possible to look at increasing the rate next year. Mr. Irvine appreciated the situation that Mr. Del Grande was in, but felt that he did not want the City to miss an opportunity by waiting until next year. Mr. Irvine felt that this was a discussion worth having about driving energy efficiency and making residents aware that they can lower their energy use and see decreases on their bills. Mr. Irvine felt that residents in the City could get on board with this plan. Mr. Del Grande felt that the plan being presented could be beat just based upon the City's resources of communication. Mr. Irvine pointed out that Mr. Wessells put up a booth on the Community Day on UD's Green and had very positive results about the degree to which people cared about conservation issues. Mr. Wessells stated that on Community Day, they brought an LED light and regular light bulb and showed passersby the difference on the meter. Mr. Lynch advised that if CAC pleases, they can take money out of their Green Energy Fund and put it toward this project.

Mr. Irvine suggested that Michelle Bennett, UD's Sustainability Manager, would also be interested in this project. Mr. Cawley noted that they have worked with many universities in Ohio, DC and Vermont. Ms. Smith asked what the timeline was after June. Mr. Lynch advised that after DMEC receives the direction from the board, they would then begin the contract engagement process with AMP. Once that was signed, the usual startup would begin. Mr. Cawley stated that once contracts were signed, it was about 90 days to get everything in place and to get the first round of promotions and services on the street. Mr. Lynch advised that some programs could be implemented faster than others. Ms. Smith asked if public education was a part of the startup. Mr. Cawley advised that in the beginning there are many stakeholder meetings to get word of mouth going about the program. Mr. Cawley stated the very first thing that happens after the contract is signed is that the account manager comes and sits down with the customer and presents the welcome packet. The account manager would work with the customer service department so that they know how to speak about it should question arise. Mr. Irvine asked for a summary of who the account manager is and who is their team. Mr. Cawley answered that in Ohio, there is a staff of about 18 people. That staff includes 4 engineers, but company also has a staff of over 60 engineers. Mr. Cawley explained that the design of the program is that this staff would be people who live and work in Delaware. Mr. Cawley stated that for the 25 communities that AMP is serving in Ohio, there are 4 key account managers, 4 engineers, program staff, 2 marketing people and some administrative staff. Mr. Irvine asked if Delaware would have a smaller team. Mr. Cawley advised he would have to see the numbers but thought it may be 4 or 5 staff in Delaware. Mr. Irvine asked if Newark wishes to choose the Enhanced Performance option, if there would be more staff assigned. Mr. Lynch stated it was possible. Mr. Cawley stated they would add on as needed to accommodate the municipalities' plans. Mr. Cawley stated that beyond the base staff, if Delaware decided to upgrade to a different plan, staff from other states could be called in to assist in the interim. Mr. Cawley noted that AMP has had good retention of its employees and that they come from a broad array of skill sets. Mr. Irvine pointed out that there are many options within the community especially at the University of Delaware for engineering and business candidates. Mr. Cawley agreed and stated that in Ohio they had used the University of Dayton as a resource. Mr. Irvine asked if it would help to have a recommendation for Council from the CAC. Mr. Cawley stated it would be helpful to have a favorable recommendation from the CAC and possibly representation from a CAC member at a Council meeting when AMP gives a similar presentation.

Mr. Cawley advised that the next Council meeting available at which to present is the May 8, 2017 meeting. Mr. Horner noted that as the electricity use in the City is reduced, it reduces revenue. Mr. Horner asked Mr. Del Grande how the City would deal with that. Mr. Del Grande explained that the City of Newark has the infrastructure for all of the resources that has to be maintained. He stated that may reduce the future needs to update or upgrade new efficiencies. Mr. Del Grande stated that it would need to be tackled as the rates change moving forward. Mr. Cawley noted that all communities were worried that this program would hurt their electric fund, however, no one has ever said that this program has significantly impacted their fund. Mr. Horner asked if Mr. Cawley has seen any positive growth of sustainably or environmentally oriented startups. Mr. Cawley explained that all of these communities have been very diverse but most have not been sustainable incubators. Mr. Cawley advised they have seen heightened interest in some communities in other renewable or green businesses such as greenhouses. Mr. Del Grande noted that he would like to see this program benefit the seniors and low income families in the City of Newark. Mr. Del Grande stated that he sees families that come in having issues paying their utility bills and would like to see focus on that group initially.

There was some discussion as to the sentence structure of the recommendation to Counsel. Ms. Smith asked Mr. Del Grande if he thought there was any downside to this program. Mr. Del Grande did not. He felt that the rate setting process would not be considerably bothered by this program. Mr. Del Grande felt this was a worthy program with many positives and very few, if any, negatives. Mr. Del Grande noted that the electric rates have been a point of complaint for businesses and prospective businesses. Mr. Del Grande felt that this program could be a good tool to recruit new businesses to come to Newark.

> **MOTION THAT THE CONSERVATION ADVISORY COMMITTEE SUBMIT THE FOLLOWING RECOMMENDATION TO COUNCIL – "THE CAC RECOMMENDS THAT CITY COUNCIL GIVE DIRECTION TO ITS REPRESENTATIVE TO THE DMEC BOARD TO SUPPORT DMEC'S ENERGY EFFICIENCY PROGRAM KNOWN AS EFFICIENCY SMART. WE BELIEVE THE PROGRAM IS AN ADEQUATE STARTING POINT FOR INCREASED ENERGY EFFICIENCY FOR RESIDENTS AND BUSINESSES IN THE CITY. WE ALSO BELIEVE THAT MORE AGGRESSIVE ENERGY EFFICIENCY TARGETS ARE WARRANTED IN FUTURE YEARS BEYOND THE TARGETS IN THE DMEC ENERGY EFFICIENCY PROGRAM. THE PROGRAM SHOULD BENEFIT THE WHOLE NEWARK COMMUNITY, FOSTER ECONOMIC DEVELOPMENT AND RAISE CITIZEN AWARENESS OF THE MERITS AND COST SAVINGS OF ENERGY EFFICIENCY."**
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> **MOTION PASSED UNANIMOUSLY**

Mr. Lynch came forward to discuss the Green Energy Grant Program. Mr. Lynch called the board's attention to the recommendation regarding Newark's Green Energy Fund. Mr. Lynch went through his handout which summarized the funds in Newark's account. Mr. Lynch advised that DMEC has been managing the fund in a way that allows for trifurcation that is available at the City's direction. The funds collected monthly are divided between the three trifurcations. Mr. Lynch advised that recently DMEC has received 2 grant requests from individual residential homeowners requesting the maximum individual grant of $7500. Mr. Lynch noted that due to the upper limit of these funds, these could have a significant impact on the first trifurcation which is for individual customers. Mr. Lynch stated that he examined these applications and found them both to be of quality and of compliance with Newark's green energy regulations. At this point, he spoke with Mr. Del Grande and asked if Mr. Del Grande would approve these applications. Mr. Lynch advised that because of the high amounts being asked for, Mr. Del Grande suggested bringing this matter before the CAC and before Council. Mr. Lynch noted that these are only 2 applications at one time, and the CAC and Council need to consider what direction they will take should many more applications come in at one time.

Mr. Horner asked if the McKees projects were paid off. Mr. Lynch answered that they were paid off and that the only projects left in await of que are the two projects listed on the summary page. Mr. Irvine asked what the rate of accrual is for the fund. Mr. Lynch responded it is approximately $10,000-12,000 a month which is split 3 ways. Mr. Horner asked if there was more interest now because the cost of solar has gone down. Mr. Lynch advised that was correct and that his research showed that Newark's incentive for PV is the richest in the state and possibly the US. Mr. Lynch advised that given that and the lower cost, Newark may be over-incentivizing solar, especially in comparison to other utilities in the state. Mr. Lynch suggested that by lowering the incentive rate, Newark may be able to provide more incentives to more customers and still get the same amount of growth. Mr. Horner asked what Mr. Lynch's recommendation was in regards to the two individuals who had already applied. Mr. Lynch recommended that the two customers would be allowed to complete their applications, submit it for review and that if everything is done correctly they should be honored for their $7500. Mr. Lynch noted that Council or the CAC should take action to notify their customers that the application has changed to whatever they should decide. Mr. Lynch suggested suspending the program and looking more in depth at the incentives, then reopen the incentives. Mr. Irvine asked what Delmarva Power's incentives are currently. Mr. Lynch stated that their max is $3000 for DP&L and $2500 for the Cooperative. He advised that their incentives are based on the size of system by wattage versus the City's incentive which is based on the total system cost. Mr. Lynch advised that in his and DMEC's opinion, there is no need to over-incentivize solar and that adjusting to the Delmarva or DEC level could double or triple the number of similar customer to receive an incentive. Mr. Lynch recommended taking the two customers that are already on the books and paying them out, then for any application that may come in before the CAC or Council has the final say on the adjustment, to be treated as the same deal that is currently offered.

Ms. Smith asked how many customers had applied and been granted the $7500 incentive over the years. Mr. Del Grande stated that the last grant approved was to First Methodist Church over a year ago and they were paid $30,000 in August which wiped the fund out. Mr. Del Grande noted that it had taken some time to get the account built back up again. Mr. Lynch believed that about 100 applications had been filed since the inception of the Green Energy Fund in 2007. Mr. Lynch noted that Newark had been wildly successful in promoting solar in the community. Mr. Lynch also pointed out that he would recommend that those customers using a solar leasing company should not be made eligible for this fund. He stated that these systems are already extremely cost effective. Mr. Lynch felt that the homeowner or business that chooses to own instead of lease a solar system is of greater benefit to having an incentive given to them. Mr. Irvine felt that Mr. Lynch's suggestion has considerable merit considering the decreased prices of solar systems. Mr. Prasad agreed and asked if it was possible to only incentivize the hardware costs, but not the installation costs. Mr. Lynch stated this has been done, but he would suggest going based on the size of the system which is irrefutable. Mr. Lynch also noted that as costs go down, some municipalities have adjusted the incentives. Mr. Prasad agreed that Mr. Lynch's presentation had merit and that some research needed to be done on this topic with suspension of the grant. Mr. Horner agreed as well. Mr. Irvine noted that there are two issues, the first being going into the red on the first account, the second being adjusting the percentages. Mr. Irvine asked if there was a clause that the City could pull from account 2 to supplement account 1 should it be needed. Mr. Lynch did not recall a formal plan of action being formulated. Mr. Del Grande suggested that Council put a cap or a limit on what amount is allowed to be transferred between accounts. Mr. Lynch clarified that the number on his handout was taking into account what would be left in the fund after paying for the two applications, meaning that the City was still in the black. There was some discussion on when both recommendations would be brought before Council, namely suspending the individual grants and recommending AMP's Efficiency Smart program. The board discussed a recommendation to council to suspend the individual grants.

**MOTION THAT THE CONSERVATION ADVISORY COMMITTEE SUBMIT THE FOLLOWING RECOMMENDATION TO COUNCIL – "THE CAC RECOMMENDS TO COUNCIL THAT NEWARK TEMPORARILY SUSPEND DMEC'S PAYMENTS AGAINST THE GREEN ENERGY FUND'S TRIFURCATION 1 "INDIVIDUAL GRANTS" IN ORDER TO RESTRUCTURE THE INCENTIVE. THE SUSPENSION IS DUE TO THE DECREASED COSTS IN RENEWABLE ENERGY SYSTEMS. ANYTHING ALREADY APPROVED WOULD BE HONORED. ANY SYSTEM INSTALLED OR INTERCONNECTED DURING THE TEMPORARY SUSPENSION PERIOD WOULD NOT BE CONSIDERED ELIGIBLE FOR AN INCENTIVE. THE TEMPORARY SUSPENSION PROVIDES CAC TIME TO MAKE A NEW RECOMMENDATION FOR THE INDIVIDUAL TRIFURCATION INCENTIVE. THIS DOES NOT AFFECT THE TWO OTHER INCENTIVES (TRIFURCATIONS 2 AND 3) IN THE GREEN ENERGY FUND."**

**MOTION PASSED UNANIMOUSLY**

**4. <u>OLD/NEW BUSINESS</u>**

Mr. Irvine gave the board an update on the Sustainable Cities Grant. Mr. Irvine advised that Mike Fortner, who was not able to attend this meeting, had offered to assist in writing the proposal for the grant. Mr. Irvine stated that Mr. Fortner and he had reached out to potential partners, including the University of Delaware, WILMAPCO and BikeNewark. Mr. Irvine suggested that a subcommittee be formed to write this grant. This subcommittee would be comprised of any CAC member who would wish to volunteer, Mike Fortner, Michelle Bennett from UD, WILMAPCO and BikeNewark. Mr. Irvine stated that the City would be the lead on the grant team, but the merits of having multiple parties involved is that the potential impact is greater. Mr. Irvine noted that WILMAPCO is in a very good position to consider planning and growth and that BikeNewark is all about sustainable transportation. Ms. Smith asked if this was a transportation specific grant. Mr. Irvine stated it is a planning grant. Mr. Irvine noted that in the grant, it reads that teamwork is allowed and encouraged. Mr. Irvine advised that the grant is for $70,000.

Mr. Irvine advised that Ms. Bennett is negotiating a universal recycling grant from DNREC. Mr. Irvine noted this grant would be between UD and DNREC, but would promote recycling in the city. Mr. Irvine advised that he was going to remind Tom Coleman, Public Works and Water Resources Director, to look to hire an intern for the Green Energy Dashboard. Mr. Del Grande pointed out that the grant that CAC is applying for is also being pursued by 3 other departments at the City of Newark. Mr. Irvine was not aware of that and asked what the internal resolution process was. Mr. Irvine felt that all of these departments needed to have a sit-down discussion. Mr. Del Grande agreed he would work on it. Mr. Irvine noted that the CAC should work with the other entities in the City for the greatest amount of impact.

**5. <u>NEXT MEETING</u>**

The next regularly scheduled meeting is Tuesday, May 9, 2017.

## 6. ADJOURNMENT

The meeting was adjourned at 9:19 p.m.

Tara Schiano
Deputy City Secretary

TAS/sjc