

**CITY OF NEWARK
DELAWARE**

**CONSERVATION ADVISORY COMMISSION
MINUTES**

March 13, 2018

MEETING CONVENED: 7:00 p.m. Council Chambers

MEMBERS PRESENT: Ajay Prasad (presiding), Kismet Hazelwood, John Horner, Jason Kramer, Bob McDowell, Sheila Smith, John Wessells

ABSENT: George Irvine, Kass Sheedy

STAFF: Sarah Campanelli, Secretary

Mr. Prasad called the meeting to order.

1. APPROVAL OF MINUTES FROM MEETING HELD ON FEBRUARY 13, 2018

MOTION BY MR. WESSELLS: THAT THE MINUTES FROM THE FEBRUARY 13, 2018 MEETING BE APPROVED AS RECEIVED.

MOTION PASSED UNANIMOUSLY.

2. PUBLIC COMMENT

Ariel Hazelwood and another Newark High School student were present at the meeting to work on a project for their Government and Politics class.

Scott Lynch, DEMEC, was also present. He advised he had been asked by Acting City Manager Tom Coleman to attend the meeting so as to answer any questions the CAC might have.

3. GREEN ENERGY FUND LIGHTING PROJECT – CREEK ROAD TRAIL CONNECTOR

Mr. Prasad recalled that Acting Public Works and Water Resources Director Tim Filasky had informed the CAC about this project and the total cost was estimated at \$10,000 for LED lighting. Mr. Prasad advised that a confirmed cost of the project had not yet been provided. Mr. Prasad shared an email from Mr. Filasky to Mr. Irvine stating that he was still awaiting costs. Mr. Prasad said that the CAC could not recommend spending Green Energy funding until they knew the cost.

4. DRAFT CONCEPTUAL AGREEMENT – NEWARK SUSTAINABLE PARTNERSHIP

Mr. Lynch stated he was at this meeting to answer any questions that the CAC may have or get any ideas about how DEMEC could assist with this effort. Mr. Prasad shared that Drs. John Byrne and Michael Chajes were supposed to present their cost proposal tonight, however, they were not able to make it. Mr. Lynch noted that because this partnership had a focus on solar, he wanted to reiterate the value that the McKee

Solar Park had. He stressed that this was one of the only community solar facilities in this region. It was the only utility-driven program in the State of Delaware. Mr. Lynch felt there was room left in this project for more participation. The program was not completely sold out. Mr. Lynch knew that the CAC was hoping through the Newark Sustainable Partnership to bring more solar into the community and engage more businesses and residential customers. Mr. Lynch was in support of looking for more renewables in the community but he also thought it was important to take the resources the City already had in place.

Mr. Lynch said that if there was an interest in developing more projects like McKee on City-owned properties, that was something DEMEC stood ready to engage. He shared that DEMEC was currently developing a 1.5-megawatt project in the town of Smyrna. Mr. Lynch noted that meeting Renewable Portfolio Standard (RPS) compliance was mentioned. He advised that the City of Newark was on schedule to meet the 25 by 25 requirement in State statute. This was a voluntary commitment. Currently, the City was on target to meet the RPS. Mr. Lynch said that if the City wanted to exceed it, DEMEC was ready to assist. He also offered that DEMEC was willing to assist the University of Delaware in discussing their goals.

Mr. Prasad informed Mr. Lynch that Dr. Byrne had mapped out all the roof area available on campus and within the City. They had come up with a way that the City could install and own solar and be the developer. Mr. Prasad used the UD Field House as an example. He felt this situation had not been optimal for the City as a 3rd party had come in. He felt that if the City had done that same project, it would have been a win for the City and University. Mr. Lynch said DEMEC could assist with this. He suggested that DEMEC could be a party to that contract. DEMEC was currently the provider of electricity for the City so additional services were available. Mr. Lynch had looked at this partnership and had wanted DEMEC to participate. He felt that the City could take advantage of DEMEC's experience in developing projects and partnerships to bring forward a project that would benefit the City and University. He would enjoy a deeper conversation with Dr. Byrne regarding the model.

Mr. Horner noted that Mr. Lynch had mentioned that there was room to build out more at McKee. Mr. Lynch clarified that they were just over half sold out of the blocks. There were still many open blocks for residential customers that wanted to take advantage of solar. Mr. Hornor recalled that there had been discussion about adding more panels. Mr. Lynch responded that there was a replacement recently. Mr. Hornor thought there was room to do more panels. Mr. Lynch answered that there was a small piece that could be filled in but it would not be as significant. It would not be adding another line. He thought that adding more could be possible but would require additional engineering or land prep. Mr. McDowell asked how much a block was. Mr. Lynch stated a block was a \$50 enrollment fee. The \$50 went to community-wide efficiency projects. Once the customer was enrolled, they were able to get the \$1 credit per block for 10 years. Mr. Lynch elaborated that it was still the most innovative community solar program in the country. There was no other program that operated on the regulations that they had implemented. This was the subscription program, donation program and community-wide efficiency renewable added program. The model was working and Mr. Lynch thought that it could use additional notification and public attention. Mr. Lynch thought it would be wise to finish up one project before trying to replicate the same thing in the Newark Sustainable Partnership.

Mr. Prasad asked whether Mr. Lynch had participated in conferences to publicize the work that had been done and show this as a model for other cities. Mr. Lynch advised he had done promoting of this project on numerous occasions and it had been received well. Mr. Prasad updated that the CAC was still waiting for the cost proposal but he would send Mr. Lynch the presentation Dr. Byrne had given them. Mr. Lynch asked to see in particular the spaces that Dr. Byrne had been recommending. He said that looking at these locations would give him technical information about where interconnection points could be. DEMEC would then be

able to see how the spaces could be developed. Mr. Prasad asked Mr. Lynch where a second park like McKee could be located. Mr. Lynch said he would be happy to look at a piece of land if the CAC had ideas. He understood and respected that land was at a premium. Mr. Prasad thought this might be what had prompted Drs. Chajes and Byrne to consider rooftops. Mr. Lynch said this was the idea of the applying of a distributed generation source to a distributed location. He stated there was an advantage of using these spaces that were not generally used. He said that DEMEC could work with that and provide it to their vendors. Mr. Lynch felt that the City and University needed to discuss each of their individual goals. When he knew that, he could bring better pricing because DEMEC would know what the City wanted.

Mr. Hornor thought that the City would struggle with the fact that it provided the University with its electricity and would want to keep them as a customer. If the University wanted to be more green and renewable, he felt the City should work with them to keep them as a customer. Mr. Lynch shared that DEMEC had been approached numerous times by vendors that were looking at land on the STAR campus. He noted that in that, there were ideas about how much self-generation the University could have versus purchasing from the City. He advised that DEMEC managed the University contract on behalf of the City. If the University wanted additional renewables, it was important to know their goals. Mr. Hornor added that Dr. Byrne was trying to sell this idea at the University as well.

Ms. Smith stated that the City of Newark was pursuing a contractor to write a plan for sustainability. Mr. Lynch felt that if the City wanted to get to a higher level of renewable penetration, they could do that with resources that were in place simply by lowering its consumption. Efficiency was sometimes a faster way to increase the renewable energy percentage without actually installing much more. Mr. Lynch explained that DEMEC had set up the Energy Efficiency program which Newark had not signed onto yet. Newark could look to scale up the amount of energy efficiency it wanted and bring up its renewable percentage by doing more cost-effective, easier to implement and longer-lasting efficiency. Mr. McDowell asked when the City would sign onto this. Mr. Lynch said that DEMEC had made proposals to the City about the Energy Efficiency program and the CAC had said it wanted to support that effort. When it had gone to Council, Council had decided to wait before choosing to implement it. Mr. Lynch thought it was at the pleasure of Council and the CAC whether to bring it back up. DEMEC had already signed on the cities of Seaford, Milford, New Castle and Clayton.

Mr. Hornor asked what Council's reason was for delaying. Mr. Lynch recalled that Council had wanted to discuss and consider the program more. Ms. Smith asked if there was a cost involved. Mr. Lynch had presented what the cost and benefits would be. This had since been changed so there would be no additional cost to the City. Mr. Lynch stated that the wholesale rate would not increase to the City. It was now being done as a wholesale program rather than a retail program. DEMEC was doing it for the express purpose of lowering the wholesale cost of electricity by reducing the cost of demand. This specifically included addressing the high peak times in the summer. Ms. Smith asked if this program paid for itself if the City was reducing its demand. Mr. Lynch said that overall the program had a cost benefit of \$2 for every \$1 invested. There was no additional cost.

Ms. Smith asked for some bullet points about the program. Mr. Lynch said there were 2 sides to the program: the residential side and the commercial side. The residential side would offer a lighting program, appliance rebates and appliance recycling. The commercial side would offer lighting and HVAC updates. There was also a customized program. This offered more customized solutions for contractors or other customers who were not sure what they wanted to do. DEMEC would offer technical assistance including an energy audit from the University of Delaware. Ms. Smith was very interested in this and thought that the CAC may want to write another recommendation. Mr. Lynch gave some examples about how residential customers could take

advantage of the lighting and appliance programs. Mr. Lynch advised there were also programs in the State that were focused on thermal savings. These were great with the sustainable energy utility. Mr. Lynch said that the point of DEMEC's program was not to duplicate measures that were already available to customers in the State.

Mr. Prasad asked why the City needed to sign off on this. He asked why he could not just go on DEMEC's website and sign up. Mr. Lynch explained that DEMEC required the City to say they wanted to be involved. It was part of the wholesale cost of electricity. He looked at it as buying savings instead of buying contracts. Mr. Lynch said that as more municipalities signed on, additional services could be brought in-state. Mr. Hornor did not understand why Newark would not sign up for this. Mr. Lynch stated that initially, DEMEC had gone to the City and showed the City the cost. He thought that there had been some concerns about a cost being associated with it. He had tried to explain that the cost of this was less than buying actual electricity. Mr. Lynch felt it was hard to understand when you were purchasing something, you expect to get something. This was purchasing the ability not to have something which was a hard concept. Mr. Lynch clarified that they were trying to lower the cost of electricity at the wholesale level. If they could continue to lower that cost, it was a passthrough to the City to offer lower cost rates to its customers.

Mr. Kramer asked if there was a price ceiling for municipalities that joined on. He asked whether DEMEC guaranteed a wholesale savings to those cities. Mr. Lynch said that they had chosen this program and set a target for savings. They had found the only contractor in the country that offered a 70% guarantee. If they did not provide that, any money spent that had not been achieved would be paid back. Mr. Kramer asked specifically whether DEMEC guaranteed that the City's wholesale rate would not go above a certain amount. Mr. Lynch said there was not a price ceiling. The more members that signed on, the more benefits everyone got. Simply by the fact that 4 municipalities had signed on, the benefits would flow to the City of Newark. Mr. Lynch noted that with Newark's participation in the program, there would be an overall greater savings to every other DEMEC member and Newark. Mr. Prasad asked the other municipalities were participating so far. Mr. Lynch explained that it had been 3 years in the making to get the contract signed. The kick-off meeting had not yet occurred.

Mr. Lynch noted that Newark was an electric utility and it was the way that Newark made its money. However, they had to understand that there were costs with that electricity and Newark was not 100% self-generating. There was a regional grid and the electricity was wheeled in to the communities. There was a cost to get the electricity there and many other costs. If they could reduce the amount of peak need, they could reduce the overall electricity. Mr. Lynch explained that the level was set during the 5 highest peak usage days. If the electricity used on those 5 days could be reduced, the City still got the same amount of electricity but they did not pay that in demand charge. DEMEC was trying to enable the City to keep selling its kilowatt hours but also to reduce the cost of electricity on the wholesale side. Mr. Lynch shared that DEMEC had found that more customers wanted to come to places where energy, efficiency and environment were intermingled.

Mr. Prasad asked whether the CAC already wrote a recommendation for this. Mr. Lynch answered that they had. He had presented a basic, low-level project and the CAC had felt that it was too conservative in the level of efficiency he was promoting. Mr. Lynch was happy to do more. Mr. Prasad asked if everyone wanted to revive that recommendation. Ms. Smith suggested that they follow up with Council. Mr. Wessells recalled that Council was leery because they were looking at selling less electricity and therefore losing income. He felt Mr. Lynch needed to show more how the City could make more by selling less. Mr. Lynch said that was possible if they could reduce that peak energy use and have a permanent reduction. Mr. Lynch said the percentage they had been offering was 0.25%. Mr. Lynch stressed that DEMEC was not pushing the CAC to do anything. He just wanted to make sure they were aware of what DEMEC was offering. Nothing had

changed with the program except that this was wholesale and the previous was retail. Mr. Prasad said that the CAC would find its recommendation and try to reword what they thought Council may object to.

5. POSSIBLE CITY OF NEWARK GRANT APPLICATION TO DNREC FOR ELECTRIC VEHICLE RECHARGING STATION

Mr. Prasad informed Mr. Lynch about this possible grant application. Mr. Prasad asked if Mr. Lynch had any insight. Mr. Lynch said that the programs were being offered by DNREC through the Division of Energy and Climate. The workplace program had many incentives. Mr. Lynch noted that electric vehicle charging stations were unique in that they needed to make sure people used them. Oftentimes, the charging stations were placed in zones that were high traffic, such as gas stations and convenience stores. When considering the location, he suggested that the CAC make sure the place would be frequented and that it was safe. They also needed to consider the type of station they wanted to install. Mr. Lynch briefly explained the different levels of stations and advised that level 2 was the most popular in commercial spaces.

Mr. Kramer shared that he had done some research. He found that this was not a grant but a rebate program, meaning that Newark would have to front the money. It only offered level 2 chargers. The rebate was only good for the charging station itself, not the \$400 installation. Mr. Kramer felt that putting the stations at the municipal building may not be the best location. He thought that most people came to the building either as employees or for quick business and would not have the time to utilize the charger. Ms. Smith suggested a shopping center. Mr. Kramer suggested the reservoir or other parks along the Pomeroy trail. He thought people would spend more time in these areas. Ms. Smith felt that Newark Shopping Center or the Curtis Mill Park would be appropriate. She asked who owned and maintained the stations once they were installed. Mr. Lynch said it was whoever installed it. If the City installed it, the City would own it. If they wanted to have an operations and maintenance contract, many of the vendors he had spoken to offered that as well. The next question was whether the City would charge for the electric from the station. Mr. Kramer was not sure whether they were allowed to charge and still get the rebate. Mr. Lynch said that they could charge and get the rebate.

Mr. Lynch shared that there were approximately 323 all-electric vehicles in the State of Delaware. The Newark zip code had approximately 36 all-electric vehicles. He noted that plug-in hybrids were considered gasoline vehicles by the Department of Transportation. Mr. Lynch also pointed out that it would make sense to support electric vehicles because they showed a purchase from the utility. Mr. Kramer believed the deadline for this application was June 30, 2018. Mr. Kramer felt the City would be more interested in the stations if they could charge and recoup some of the cost. Mr. Prasad asked if Mr. Kramer had researched how involved the proposal would be. Mr. Kramer said it was just a rebate form. Mr. Kramer was not sure whether the stations had to be installed by June 30. He thought it may be too tight of a timeline.

6. A BETTER NEWARK AWARD NOMINATION FORM

Mr. Prasad noted that print outs of the new form had been placed before each Councilmember. Ms. Campanelli advised that this was the latest update done by Kyle Glazier in an attempt to include all the information on the old form. Ms. Smith noted that it was missing water conservation and energy conservation. Ms. Smith showed everyone the old form. Ms. Campanelli said she would update Mr. Glazier with the categories that were missing. Ms. Smith asked why they needed to go away from the format of printing the application and mailing it. Ms. Campanelli reiterated that all requests and forms were now being submitted electronically. Mr. Prasad asked if Mr. Glazier could add a print button so that the form could be printed and sent in with photographs. Ms. Campanelli said she would ask.

Ms. Smith updated that she had taken the old form to Marlene Bond, the nominator of the last Better Newark Award. Ms. Bond intended to resubmit the application.

7. REVIEW OF PLANNING/DEVELOPMENT REPORTS

There was no comment.

8. OLD/NEW BUSINESS

Mr. McDowell shared that the Reforestation Day recommendation had passed at last night's Council meeting. The date was still undetermined but it was planned to be in the fall. Councilwoman Jen Wallace had suggested that the CAC solicit donations of trees at Community Day. Mayor Polly Sierer had also informed Mr. McDowell that the Newark Rotary Club had committed to 1 tree per member to be donated. This meant that there were already 45 trees for this upcoming fall. Mr. McDowell stated that now that the day was approved, they could start coordinating between the CAC, Parks and Recreation Department and University of Delaware. Ms. Smith asked if Mr. McDowell had specified that it should be native trees. Mr. McDowell said he did. Mr. McDowell said that he and Mr. Irvine had explained the thought process behind this day and that it would have an educational component. It also tied in with the City's certification as a habitat-friendly town. Ms. Smith asked if any locations for planting had been identified. Mr. McDowell said that there were a few grassy areas, including the property across from the reservoir. Mr. McDowell said he would follow up with Parks and Recreation Director Joe Spadafino and Acting City Manager Tom Coleman. Mr. McDowell also suggested the idea of fostering trees where a person could nurture that tree until it got large enough to be moved and planted. Mr. McDowell thought late September or early October would be a good time for the planting day. Ms. Smith suggested that Mr. McDowell reach out to the Delaware Forestry Service. He said he planned to.

9. NEXT MEETING

The next regularly scheduled meeting is April 10, 2018 in the Old Newark Conference Room.

10. ADJOURNMENT

The meeting was adjourned at 8:19 p.m.

Sarah Campanelli
Secretary

/sjc