COUNCIL COMMITTEE OF THE WHOLE
AGENDA

APRIL 11, 2017 - 6:00 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA - DOVER, DELAWARE

PUBLIC COMMENTS ARE WELCOMED ON ANY ITEM AND WILL BE PERMITTED AT APPROPRIATE TIMES. WHEN POSSIBLE, PLEASE NOTIFY THE CITY CLERK (736-7008 OR E-MAIL AT CITYCLERK@DOVER.DE.US) SHOULD YOU WISH TO BE RECOGNIZED.

UTILITY COMMITTEE

AGENDA ADDITIONS/DELETIONS

1. **PRESENTATION - ENERGY EFFICIENCY PROGRAM PROPOSAL BY DELAWARE MUNICIPAL ELECTRIC CORPORATION (DEMEC)**

2. **ADJOURNMENT OF UTILITY COMMITTEE MEETING**

ADJOURNMENT OF COUNCIL COMMITTEE OF THE WHOLE MEETING

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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. PURSUANT TO 29 DEL. C. §10004(E)(2), THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS, WHICH ARISE AT THE TIME OF THE MEETING.

DEMEC
DELAWARE MUNICIPAL ELECTRIC CORPORATION

Energy Efficiency Program Proposal for Dover, DE

Randy Corbin, American Municipal Power, Inc.
Dave Cawley, Efficiency Smart

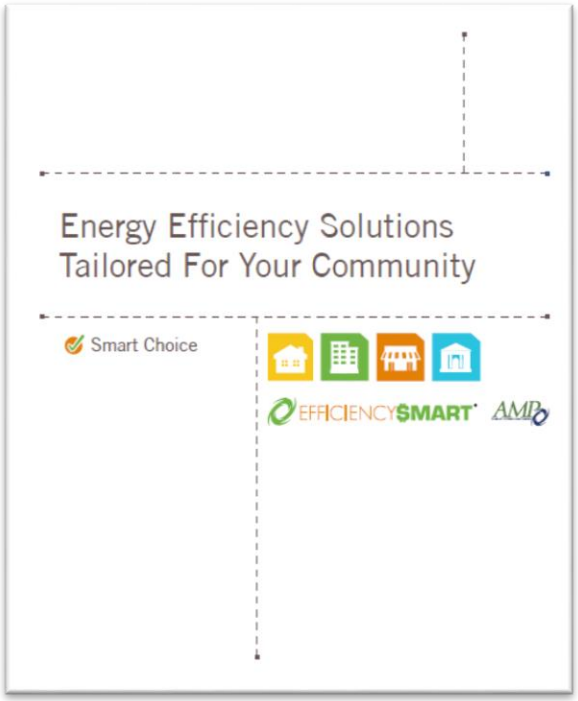
April 11, 2017

Overview

- Energy efficiency program proposal
- Benefits for the municipality and its customers
- Program flexibility
- Experience/reliability/guarantee
- Key roles
- Prospectus

Energy Efficiency Program in Brief

- Product rebates
- Engineering services
- Account management
- Community engagement
- Marketing and promotions
- Customer service
- Performance tracking
- Evaluation, measurement and verification



Key Benefits for Municipalities

- Upgrade Municipal Facilities
  - LED streetlight conversion
  - Municipal Buildings
  - Water & Wastewater Treatment Plants
- Aid in Local Economic Development
  - Business retention and attraction
  - Support businesses and contractors

Benefits for Municipal Electric Systems

Enhance customer satisfaction

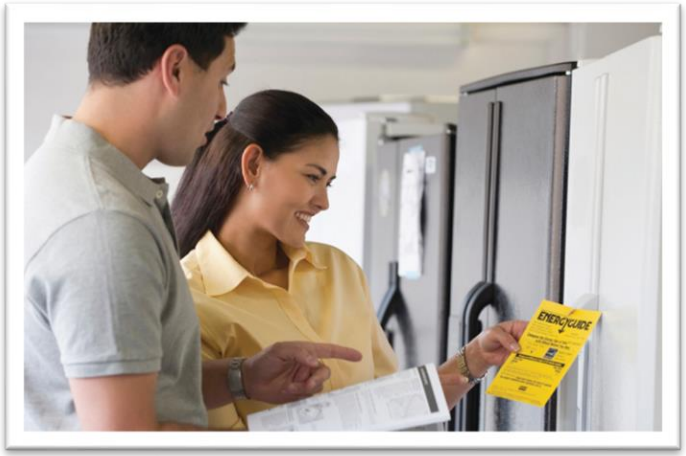
- Generate positive publicity
- Energy awareness for community events
- Address high bills
- Demonstrate sustainability

Reduce costs/verify results

- Cheaper than new power supply
- Reduces coincident peak
- Reduces T&D charges
- Defers T&D upgrades
- Ability to bid capacity savings into PJM

Key Benefits for Customers

- Rebates, Incentives and Discounts
- Technical Assistance
- Objective Information
- Account Management Services
- Customer Call Center





Customized for Your Community

Services

- Community-specific savings targets
- Ability to prioritize
- Promotions to drive sales at local businesses
- Participation in community events







Experience/Reliability/Guarantee

- Completing 6 years, 54 municipalities served
- Lifetime savings achieved
  - 2.4 million MWh
  - 27 MW peak demand
  - $200 million customer savings
- Evaluation, measurement and verification
  - Meets national standards
  - Qualified for PJM auction
  - High realization rates
- ***Guarantee 70% of MWh savings target***

Efficiency Smart = *Proven Performance*

- AMP communities continuing to ninth year of participation
- New services continually under development
- Will help to leverage DE state programs for DEMEC members and their constituents

"Efficiency Smart is one of the best tools I have for economic development. Its staff is responsive, diligent, and works hard to save businesses in Bowling Green energy and money."

- *Suzanne Clark*

Exec. Director, Bowling Green Community Development Foundation

Roles

DEMEC	AMP	VEIC
> Contracts for services > Establishes agreements with DEMEC members > Collects fees for program > Pays contractor invoices > Reviews program performance > Provides liaison with State of Delaware > Bids capacity into PJM FCM market	> Serves as prime contractor for services > Manages subcontractors • Implementation • Evaluation, measurement and verification > Submits invoices to DEMEC > Oversees program design and implementation > Certifies program results > Integration with other DE efficiency programs	> Serves as subcontractor to AMP > Delivers program services • Program design • Program implementation • Technical services • Marketing and promotions • Account management • Rebate and incentive fulfillment • Data tracking and reporting • Customer service and hotline • Municipal MWh savings guarantees • Vendor and trade ally relationships

DEMEC
DELAWARE MUNICIPAL ELECTRIC CORPORATION

PROSPECTUS FOR ENERGY EFFICIENCY SERVICES FOR DOVER FROM EFFICIENCY SMART - APRIL 11, 2017

Profile				Terms of Offer
	Annual MWh Sales[1]	Quantity of Meters	% of Annual MWh Sales	
Residential	211,178	19,918	28%	Information in this prospectus is provided by Efficiency Smart, a proposed program to provide energy efficiency services for DEMEC members, managed by American Municipal Power, Inc. (AMP), on behalf of DEMEC. The information provided in this prospectus does not constitute a legal document or an agreement between the community and DEMEC. The pricing and estimated energy efficiency savings provided in this document are intended to be illustrative and indicative for the purpose of aiding the community understanding of the services that are offered. Community information presented this document is based on information provided to DEMEC as of January, 2017. Communities that wish to obtain more information about Efficiency Smart Services are encouraged to visit the Efficiency Smart website, www.efficiencysmart.org or contact Scott Lynch, CEM, Vice President, Asset Development Delaware Municipal Electric Corporation, Phone: 302-653-2733, slynch@demecinc.net
Commercial	419,743	3,216	56%	
Industrial	123,716	5	16%	
Other	0	0	0%	
Total	754,636	23,139	100%	

[1] *MWh sales are based on annual DEMEC wholesale figures applied to percentage of retail MWh sales as reported by DEMEC member.*

Benefits & Costs for City of Dover	
Basic Comprehensive services to residential, commercial, and industrial customers	**Reduce electric wholesale MWH by 0.25% annually**
Annual MWh Savings	5,660
Lifetime MWh Savings	66,870
Lifetime Benefits	$4,049,084
Average Life of Savings	11.8 years
Unit Price	$0.90 per system retail MWh annually
Annual Cost	$679,172
3-year Cost	$2,037,517
Benefit to Cost Ratio	1.99
Levelized Cost per MWh	$30.47

Thanks for Your Consideration

Randy Corbin

Assistant VP for Energy Efficiency
American Municipal Power, Inc
rcorbin@amppartners.org
614-540-0844

Dave Cawley

Business Development Manager
Efficiency Smart
dcawley@efficiencysmart.org
877-889-3777 ext 7723