

Delaware Renewable Energy Taskforce

Wednesday, April 25, 2012, 9:30 to 12:00 noon

United States Department of Agriculture

1221 College Park Drive, Suite 200

Dover, Delaware 19904

Meeting Minutes

Members and alternates in attendance:

Carolyn Snyder, DNREC Division of Energy & Climate and Taskforce Chair

Dale Davis, Delaware Solar Energy Coalition

Glenn Moore, Delmarva Power

Dallas Winslow, Public Service Commission

Pamela Knotts, PSC staff

Janis Dillard, PSC staff

John Sykes, environmental advocate

Mark Neilson, Delaware Electrical Cooperative

Stanley Merritt, DuPont, renewable energy research and development industry

Derick Botha, Motech, renewable energy research and development industry

Bill O'Brien, PSC staff

Radley Reist, Sustainable Energy Utility

Jim Black, environmental advocate

Michael Sheehy, Public Advocate

Finn McCabe, Delaware Solar Energy Coalition

Tom Noyes, DNREC Division of Energy & Climate

Tony DePrima, Sustainable Energy Utility

Others in attendance:

Kevin Quilliam, SRECTrade

David Stevenson, Caesar Rodney Institute

Bill Tidaback, Advanced Solar

Approval of previous meeting minutes

The Taskforce reviewed the minutes from April 11, 2012. Glenn Moore offered a motion that they be approved; Dale Davis seconded the motion. The motion was adopted with all members in attendance voting yes.

SREC auction results

The Taskforce reviewed the preliminary results from the SREC auction. Roughly 80% of the successful bids used Delaware labor and materials.

Bid prices for the competitive tiers were reported:

Tier 2B (>50 kW to 250 kW)

Low bid \$120.00

Weighted average \$130.92

High bid \$139.00

Tier 3 (>500 kW to 200 MW)

Low bid \$148.00

Weighted average \$154.45

High bid \$176.00

The Taskforce discussed how to audit in state labor and the grant amounts, particularly for DEMEC, DEC and USDA grants. The Taskforce discussed how the auction results could shape the next procurement. The demand and supply picture for the next compliance years is still uncertain. DPL does not yet have the complete picture of SREC demand related to third party suppliers.

The Taskforce discussed a variety of data requests for SRETrade. The data requests will be compiled in a list and forwarded to SRETrade, which will make a more complete presentation at the next meeting on May 9.

The Chair entertained public comments on the auction.

David Stevenson of the Caesar Rodney Institute said he would like to know the installation costs of projects and whether installers will enjoy windfall profits because of administratively set prices.

Members of the Taskforce responded that the data collected does not include internal costs of installers.

Mr. Stevenson also raised the issue of large customers that are exempt from the RPS. He would like to know how many there are and how much power they buy. He also said the auction showed that SREC prices should be lower.

Bill Tidaback of Advanced Solar said that the auction was not transparent in not identifying the actual installers who will get the work from the auction, saying we should be able to see who's getting the work. He said we should know if someone's dominant in market or gaming the system. SRETrade will perform a market concentration analysis as part of its review of the auction results.

Priority questions for future procurement

The Taskforce turned to the priority questions for future procurement. The table of priority questions includes space for insertion of straw-man proposals for particular questions.

The Taskforce discussed Question 4, Auction structure. The question of whether bids should be required to be submitted through aggregators needed. A straw-man proposal was added to the document that use of aggregators was optional not required. The matter could be revisited if administrative costs go up.

Question 4B, Site control, was discussed and left as is as a straw-man proposal. Question 4C, Market dominance issues, was added and left as is as a straw-man proposal.

Public comment

David Stevenson of the Caesar Rodney Institute asked if the Taskforce has designed the system to meet law and encourage growth of industry.

The meeting was adjourned.