

ENERGY TRUST

202 Chesterfield Avenue • Centreville, MD 21617 • (P) 410-758-2403, ext. 132 • (F) 410-758-0046 • E-Mail: consor@qacps.k12.md.us

Mark E. Miller, C.P.M., Chairman
Milton E. Nagel, C.P.A., Vice Chairman
R. Allan Gorsuch, Ed.D, Manager

October 12, 2006 MINUTES

- I. **Call to Order/Quorum** – A quorum was established by Chairman Mark Miller. Present were: Milton Nagel, Tim Brooke, John Johnson, Robin Landgraf, Rodger Daugherty, Vince Tolbert, Charles Connolly and Allison Canada.

Also present: Allan Gorsuch, Gene Adkins, Jeff Rank, John Scarborough, Noel Chesser, and Bert Wilson.
 - A. Approval of Minutes – Upon a motion by Robin Landgraf, seconded by Milton Nagel, the August 14, 2006 minutes were unanimously approved.
 - B. Finance Report – Robin Landgraf distributed and reviewed the Finance Report dated 9/30/2006.
 - C. Member/Contact Updates – Allan Gorsuch distributed the Energy Trust Participant Listing and asked that updates be sent to the ESMEC office. Pointed out that the information in the far right column (UBI Contact) was also the contact information sent to Pepco.
 - D. Other – Discussed Somerset County Library joining the Energy Trust as a sub-participant under the Somerset County Government and the necessary paperwork needed. Dr. Gorsuch provided Gene Adkins with a packet containing the Trust Agreement and By-Laws for the Somerset County Public Library.
- II. **MEA Presentation**

Larry Schoff, P.E., of E2 Solutions, under contract with the MEA (Maryland Energy Administration), gave a presentation on Energy Efficiency. Also with him was Jen Russum, Program Manager, Energy Efficiency Programs with MEA.
- III. **Managers Report** - Allan Gorsuch addressed the following:
 - A. Communications - A number of e-mails and written communications were shared.
 - B. Press Release – Included September 5, 2006 Press Release, “Educational Energy Trust Adopts Innovative New Electric Procurement Program” and also shared how Kent County used this information at the local level with their article in The Kent News; “Energy Program Has Paid Off for School.”
 - C. Reports - Distributed copies of ESMEC Energy Trust Estimated Net Savings to Date along with Projected Savings dated 9-1-06. Also, distributed copies of “ FY06 Savings off of

ESMEC
Eastern Shore of Maryland Educational Consortium

ENERGY TRUST

202 Chesterfield Avenue • Centreville, MD 21617 • (P) 410-758-2403, ext. 132 • (F) 410-758-0046 • E-Mail: consor@qacps.k12.md.us

Mark E. Miller, C.P.M., Chairman
Milton E. Nagel, C.P.A., Vice Chairman
R. Allan Gorsuch, Ed.D, Manager

Delmarva SOS Electric Supply Rates” which is the actual savings compared to supply cost at Delmarva Power.

- D. New Member Phase-In Policy - The group decided that for new members, unless there was a significant increase in total kWh that are now managed, they would be brought in under the existing rules, therefore there is no need to develop a phase-in policy.
- E. Tri-Gas & Oil Transportation Costs – Allan Gorsuch shared with everyone the Tri-Gas response to improve delivery costs for Wicomico County Schools.
- F. UBI Updates - Allan Gorsuch touched on the different reports available from the U.B.I. database and stressed the importance of spending some time with this database to ensure data is up to date and correct and the benefits of reports generated from this information.
- G. Legislation/PSC – PSC correspondence associated with Case 8908 were included in packets.
- H. Other – Hess letter received by Robin Landgraf was likely a form of solicitation. Dr. Gorsuch asked that SRC draft a letter for his signature in an attempt to avoid future letters of this nature.

IV. Consultants Report

- A. Electricity Market/Hedged Position - Noel Chesser gave a portfolio update and made a recommendation to reduce quarterly rates based on experience during the first quarter. SRC will submit these rates to Pepco for October meter read dates. Upon a motion by Milton Nagel, seconded by Charles Connolly and unanimously approved, billing rates for the second quarter will be reduced as presented.
- B. Fuel Oil Market/Hedged Position – Noel Chesser handed out the Fuel Hedge Schedule and gave his recommendation not to execute+ the second hedge. Allan Gorsuch asked that SRC send recommendation to him in writing via e-mail. He will alert all participants buying fuel oil, and they will then make a decision based on SRC’s analysis and current policy.
- C “Green Power” Policy – Noel Chesser gave a presentation on Renewable Energy Requirements and Options enacted by the Maryland legislature on May 26, 2004 requiring that certain percentages of retail power sold to Maryland users be generated from renewable sources.

Upon a motion by Charles Connolly, seconded by Vince Tolbert, and unanimously approved, SRC will make a recommendation with pricing to the Oversight Committee on how best to proceed for compliance purposes.

ESMEC

Eastern Shore of Maryland Educational Consortium

ENERGY TRUST

202 Chesterfield Avenue • Centreville, MD 21617 • (P) 410-758-2403, ext. 132 • (F) 410-758-0046 • E-Mail: consor@qacps.k12.md.us

Mark E. Miller, C.P.M., Chairman
Milton E. Nagel, C.P.A., Vice Chairman
R. Allan Gorsuch, Ed.D, Manager

- A. Other - Noel handed out "Operating Procedures for the ESMEC Electric Supply Portfolio" and asked everyone to read over it as they will would like to have approval on this at the next meeting.

Noel handed out charts for each county on electric bills that had not been submitted. For those who left early or were not in attendance at the meeting, these charts will be forwarded. Contact SRC with any updated information.

The meeting continued through lunch and adjourned at 1:30 p.m.

The next meeting is scheduled for Thursday, December 14 at 10:00 a.m. at the Queen Anne's County Board of Education.

Respectfully submitted,

R. Allan Gorsuch, Ed.D.
Manager, ESMEC Energy Trust