

ENERGY TRUST

202 Chesterfield Avenue • Centerville, 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

November 10, 2005 MINUTES

- I. Call to Order and Quorum** – A quorum was established by Chairman Mark Miller. Present were: Milton Nagel, Fay Miller, Vince Tolbert, Allison Canada, and Jeff Rank.
- Also present: Allan Gorsuch and Sid Pinder.
- II. Approval of Minutes** – Upon a motion by Fay Miller, seconded by Milton Nagel, the October 13, 2005 minutes were unanimously approved.
- III. Finance Report** - Allan Gorsuch distributed the finance report submitted by Robin Landgraf dated 10/31/05.
- IV. Managers Report - Allan Gorsuch commented on the following:**

A. Communications

1. Tri-Gas & Oil Bids - South River Consultant's invoice was divided between the 10 participants at \$420.00 each. Payment is to be made to the Energy Trust.

- B. Maryland Energy Administration Workshop - Allan Gorsuch commented on the content of information at the MEA meeting on November 3, 2005 in Baltimore. Shared with the Trust Congressman Roscoe Bartlett's comments regarding future oil supplies and the fact that our use exceeds production and how our standard of living is at risk if we do not turn to alternate fuels. Discussed Purdue's strategies and the very sophisticated program they use to develop expenditure estimates within certain ranges.

Allan Gorsuch suggested the next meeting MEA conducts that more Energy Trust participants attend. The web address for the Maryland Energy Administration is: www.energy.state.md.us.

Allan Gorsuch will invite the Maryland Energy Administration to give a presentation at the February 9, 2006 meeting.

- C. Conservation Efforts - Superintendents - Allan Gorsuch advised he had spoken with the superintendents. Two counties have E.E.I. and others feel the best option would be a meeting for facilities personnel that superintendents might attend.

He suggested that a list of options be created on ways to conserve energy for implementation as a joint effort. To get feedback from those involved in implementing such initiatives, he suggested inviting facilities people, energy managers and operations people to come together for a joint meeting at the February 9, 2006 meeting to help create this listing of options and to hear the presentation from MEA.

- D. Senate Commission on Deregulation - See PSC Report dated March 15, 2005 included in packets - The Commission Staff's Report/Observations on the Standard Offer Service Bidding Process and Results for 2005-2006.

ESMEC

Eastern Shore of Maryland Educational Consortium

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E. U.B.I. Training - Training scheduled from 1:00-2:30 p.m. on November 10th and from 2:00 - 4:00 p.m. on December 1st in Wicomico County.

F. Other -

Fee Policy - Distributed updated Fee Policy dated August 11, 2005. The last update did not reflect wording for sub-participants.

Meeting with Choptank - Allan Gorsuch will set up a meeting with Choptank in December to discuss deregulation and where Choptank stands on deregulation issues.

V. SRC Report - Noel Chesser

A. Fuel Oil Bid Placement - Handed out information on the fuel oil hedged prices executed and discussed how to handle billing - at the time of delivery and again at the end of the month for transport fees. The Trust advised Noel they want to be billed for all (delivery and transport) at the time of delivery. Noel advised a summary will come to him electronically each month for his review and he will forward it on to each participant.

Noel advised that everyone should be sending information in on fuel oil as well for input in the U.B.I. database. The Trustees decided that Participants should send monthly invoices for fuel oil and gas to SRC, just like the electricity invoices.

B. Market Report - Noel advised Select Energy - Northeast Utilities is exiting retail supply business, non-utility business and will divest by end of 2006. Advised there were a number of suitors already in negotiations to purchase Northeast and that all contracts would be honored to the end of their expiration dates ending May 2006. Feel they are selling from a position of strength and will monitor their progress carefully and report back.

C. Other - Commented on Purdue's sophisticated statistical modeling to look at range of options/assurance rates - alternative purchase structure. Noel commented on Crystal Ball software and it's comparisons to the Purdue model.

There being no further business, the meeting adjourned at 12:30 with lunch.

The next meeting is scheduled for Thursday, February 9, 2006 at 9:30 a.m. at the Queen Anne's County Board of Education.

Respectfully submitted,

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