



(EASTERN SHORE OF MARYLAND EDUCATIONAL CONSORTIUM)
ESMEC ENERGY TRUST

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

**September 10, 2009
MINUTES**

- I. Call to Order/Quorum** – A quorum was established by Chairman Mark Miller. Present were: Milton Nagel, Tom Kappra, Jeff Bauder, Tim Brooke, Mike Haring, Fay Miller, Charles Connolly, Robin Landgraf, Allison Canada, Mike Spears, Rodger Daugherty and Jeff Rank.

Also present: Allan Gorsuch, Herb Mills, Amy York, Karen Marshall, David Jones, Noel Chesser and Bert Wilson.

- A. Approval of Minutes – Upon a motion by Fay Miller, seconded by Robin Landgraf, the May 14, 2009 minutes were unanimously approved.
- B. Finance Report – Two finance reports dated 6/30/2009 and 8/31/2009 were distributed and reviewed by Robin Landgraf.

Upon a motion by Milton Nagel, seconded by Tim Brooke the finance reports were unanimously approved as presented.
- C. Budget to Actual – FY 2009 – Allan Gorsuch reviewed the Budget to Actual FY 2009 figures and commented on the proposed /actual budget figure regarding the Trust secretary.
- D. Management Services Agreement – Upon a motion by Fay Miller, seconded by Charles Connolly, it was unanimously approved to accept the agreement as presented.
- E. Consultant Services Agreement – Will review at the November meeting.
- F. Applications – Town of Centreville and the Town of Hebron. Upon a motion by Mike Spears, seconded by Milton Nagel, both applications were unanimously approved.
- G. Other – Allan Gorsuch gave a brief update on Trustee appointments for 2010 for colleges, county governments and municipalities. You will find a copy of those appointments in the packets.

II. Managers Report

- A. Communications:
 - Kent and Queen Anne's News and Opinions articles
 - Reverse Auctions – World Energy article
- B. Marketing – Updated the participants on status of Queenstown and discussed size concerns and possible future talks on solutions to address smaller accounts wanting to join the Trust.
- C. Marylanders for Reliable Power
 - Cambridge Rotary Club - Shared with the Participants comments on his presentation regarding power usage and supply on Maryland's Eastern Shore.

- D. Stimulus Grant – Allan Gorsuch advised the stimulus money was being directed to the electric companies and the Trust had no chance of becoming a player in this. Included in the packets are letters from both South River Consulting and the ESMEC Energy Trust supporting and detailing technical standards and operational capabilities of AMI.
- E. Wind Power Instrumentation Grant – UMBC – Allan Gorsuch advised that he was approached to participate as an endorser and felt this was something the Trust should support. (see copy of support letter to NSF MRI Coordinator in packets). Advised this was a grant to measure wind resource on the Delmarva Peninsula.
- F. COMPETE – Allan Gorsuch shared information on the invitation received to join this group and asked for feedback. It was suggested to only get involved in matter related strictly to what the Energy Trust already does.
- G. PLC Predictor Responses – Discussion ensued on actions being taken in each of the counties in response to SRC's PLC Predictor Responses e-mails. South River was asked to come up with a list of recommendations to be included with red day alert e-mails.

Bert Wilson noted to be careful not to change other services you do. Pay attention to energy, but do not put at risk other areas of growth. Their job is to make you aware of the costs associated with energy and how best to save. You are to take back and use this information to the best advantage that it works for you. The bottom line is if everyone/entire workforce recognizes and gives special attention to energy consumption on red days you will see a savings – "Building Awareness Saves 10%."

- H. PSC/Legislation – Allan Gorsuch reminded participants it was a little early for the legislative session and advised he has responded on behalf of ESMEC and made presentations on the legislative front on the different bills so they would have the knowledge on some objectives of deregulation and how they have played out on the Shore.
- I. Estimated Net Savings Report – Report will be presented at November meeting.
- J. Other
 - Copy of 2009-2010 meeting dates included in packets
 - Copy of Delmarva Power letter dated May 29, 2009 regarding Electric Tariff included in packets

III. Consultants Report

- A. Block Portfolio Report – Noel reviewed the portfolio report in detail and commented that the numbers were pretty close to what was budgeted for July and August per megawatt hour, so off to a pretty good start. Noted they anticipated natural gas prices to stay low throughout the winter based on supply. Obviously that will have impact on billing rates. That being said, South River Consulting recommended the November-February billing rate of 9.5¢ (see page 6). The 9.5¢ does not take into account the hedge, but will look into the Mar-Jun rates should it deem necessary.

Upon a motion by Rodger Daugherty to accept the billing rate for Nov-Feb at 9.5¢ as recommended by SRC, seconded by Tim Brooke it was unanimously approved.

- B. Hedge Purchases – Copy of Energy Block Confirmation for July 2011 thru June 2013 included in packets.

Discussed block purchase for 2013 as ordinarily would not see favorable pricing this far out. Noel is to get back with Mark, Milton and Allan Gorsuch on this fixed rate block purchase for 2013 as soon as possible.

- C. BRCPS Power Purchase Agreement RFP – Bert Wilson gave an update stating that they went out for an RFP and we'll see what happens. Have had eight responses varying from Blue Water Wind to waste energy plants. Nobody has built power plants. Lack of resources. Can and will extend the due date if they don't get offers. Will just have to wait to see what happens.
- D. Other – Discussion ensued regarding late billing. South River Consulting was asked by the Trust to address the billing system and report back to the group.

There being no other business the meeting adjourned at 11:00 a.m. with lunch.

The next meeting is scheduled for Thursday, November 12, 2009 at 9:00 a.m. at the Queen Anne's County Board of Education.

Respectfully submitted,

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