



(EASTERN SHORE OF MARYLAND EDUCATIONAL CONSORTIUM)
ESMEC ENERGY TRUST

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

**September 8, 2011
MINUTES**

- I. Call to Order/Quorum** – A quorum was established by Chairman Mark Miller. Present were: Erin Thornton, Toni Schelts, Rodger Daugherty, Charles Connolly, Karen Marshall, Jeff Rank, Allison Canada, Ron Ayers and David Jones.

Also present: Allan Gorsuch, Chris Hauge, Steven Sappey, Greg DeHaven, Lori Peddicord

- A. Approval of Minutes – Upon a motion by Charles Connolly, seconded by Rodger Daugherty, the May 12, 2011 minutes were unanimously approved.
- B. Finance Report – The Finance Report will be distributed via e-mail at a later date.
- C. Bylaw Amendment – Article IX, Audit – Allan Gorsuch explained the change and the reason thereof.

Upon a motion by Charles Connolly to approve as presented, seconded by Steve Sappey, the changes to Article IX, Audit were unanimously approved.

- D. Other – Introductions were made.

III. Managers Report – Dr. Allan Gorsuch

- A. Communications –
- Thank you card from Dave Jones.
 - Reminded everyone of the note from Noel Chesser - Prefer not to add any new accounts after September 1 because we will be switching providers and do not want to complicate the process.
 - Reiterated the Towns' options for going out for fixed rate contracts – It was decided that the smaller towns, for this year, would be allowed to stay with the Energy Trust and go out to get a fixed rate contract simply because they had not been a member long enough to build up savings and this was a way of helping out with their overall picture. They still must pay their budget assessment.
 - Savings Report – Have not received the final numbers for June as of this meeting. As soon as they are received the savings report will be forwarded to all participants.
 - Invoices – There are a couple of invoices still outstanding and will address those on an individual basis.

- B. Legislation/P.S.C. – See information handed out on Net Metering and also the Delmarva Power letter dated September 1, 2011 – Report on 2010-2011 SOS Wholesale Electric Supply Procurement Process and Results.
- C. FY '11 Budget to Actual – Included in handouts.
- D. Telecommunications - Meetings – See Bylaws, Article V – Meetings of the Board of Trustees – Allan Gorsuch commented on attendance by conference call and stressed the importance of participating in meetings in person. Anyone who wishes to participate in a meeting via telephone needs to make prior arrangements through the ESMEC-ET Office.
- E. Cecil County Health Department – Now sub-participant under the Cecil County government. See information in handouts.
- F. Management Services Agreement – Copy enclosed in handouts.
- G. MML/MACo – Allan Gorsuch shared he was part of a panel on Energy and a copy of his presentation to MACo will be e-mailed to participants following the meeting as requested.
- H. Trustees/Alternate Trustees for Counties, Colleges and Towns:

	<u>Trustee</u>	<u>Alternate Trustee</u>
For the Counties	Michael Spears	Jeff Rank
For the Colleges	Jeff Bauder	Allison Canada
For the Towns	Ron Ayers	Ron Fithian

- I. Other – Crisfield Clam Bake – Allan Gorsuch spoke about this opportunity to be able to speak with legislators and to educate and remind them of the Energy Trust, our accomplishments, and to keep entities such as these foremost in their minds when casting their votes on issues that would affect us, like the dismantling of deregulation.

Town of Galena – Allan Gorsuch shared with the Trust that he had made a presentation to the Town of Galena only to tell them they would be better off to do a fixed rate contract for the next year. They, like everyone else, are looking for ways to reduce their electric costs.

Mark Miller briefly commented on the formation of the ESMEC Energy Trust and the fact that it is now in its 10th year. Suggested promoting this 10 Year Anniversary by doing something for all participants. Maybe including something of a historic perspective in the informational pamphlets handed out at meetings/presentations.

IV. Consultants Report

- A. Portfolio Report – Amy York reviewed the ESMEC Electric Portfolio Report in detail. Advised they were making efforts to make these reports more user-friendly.

Spoke about the active management of peak loads and the importance of that associated with the red day notices. Noel Chesser was asked to compile a one page listing of what ought to be done on these red days to reduce consumption, to be distributed at the November meeting.

Regarding hedge purchases, Allan Gorsuch reminded everyone that because this is such a quick decision process and the prices expire quickly, it was set up so that the decision to buy these block purchases can be made by the Chairman, Vice Chairman and the Manager.

Currently in the process to make purchases with WGES and will be buying 5MW in the next couple of weeks. (See page 10 of the Electric Portfolio Report.)

B. Billing Rates for Fall 2011–

SGS/SGS SH/LGS	8.0¢
GSP	7.7¢
OL/ORL	6.5¢

Billing Rates for Spring 2012–

SGS/SGS SH/LGS	8.0¢
GSP	7.7¢
OL/ORL	6.5¢

Weighted Average: 8.6¢ for billing purposes for the entire year

There was a discussion to revisit March rates in January 2012 because of issues in the past with January readings. Noel Chesser recommended accepting the rates now to avoid problems with WGES. Mark Miller also recommended that both be accepted now.

Upon a motion by Rodger Daugherty, seconded by Charles Connolly it was unanimously approved to accept the billing rates for both the fall and spring of 2012 as stated above. (See page 22 of the ESMEC-ET Portfolio Report.)

C. Market Projections – See electric portfolio report.

D. Solar Energy – Energy Procurement Guidelines (Draft). Following a considerable discussion on the purchase of solar REC's, Allan Gorsuch asked for a recommendation on how to proceed. Before adjourning, this subject was readdressed and resulted in the formation of a sub-committee to look into this in more detail and come to a consensus. The committee will include: Chris Hauge, Milton Nagel, Noel Chesser, Mark Miller and Allan Gorsuch.

E. Other – Transition Plan – From PES to WGES. Noel gave an update on their (Amy, Bert and Noel) meeting with WGES and handed out information on making this a "smooth, seamless transition." Enrollment packages will be sent out and Noel reminded everyone that if there are no changes, to please let him know that as well. Please be reminded that these packages are due back to EnerNOC by September 28, 2011.

The meeting adjourned at 12:10 p.m.

The next meeting is scheduled for Thursday, November 10, 2011 at **9:30** a.m. at the Queen Anne's County Board of Education.

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

Robin Fairall
Secretary, ESMEC Energy Trust