



(EASTERN SHORE OF MARYLAND EDUCATIONAL CONSORTIUM)
ESMEC ENERGY TRUST

Mark E. Miller, CPPO, CPPB, C.P.M. - Chairman
Allison M. Canada, CPPO, C.P.M. - Vice Chair
R. Allan Gorsuch, Ed.D. - Manager

MINUTES
January 13, 2022 – via Zoom

- I. Meeting was called to Order by Chairman, Mark Miller. Those present representing a quorum were: Bill Mengel, Sandy Jack, Allison Canada, Jon Andes, Sarah Jones, Dick Plutschak, Phil Thompson, Tim Brooke, Brittany Moran, Alleesa Stewart, Jane Towers, Terri Searing, and Josh Rein.

Also present were Allan Gorsuch, Patti Jo Beard, Noel Chesser, Eric Meyer, Kelly Griffith, and Larry DiRe

II. Chairman's Report - Mark Miller, Chairman

- A. Approval of Minutes (September 16, 2021) – **MOTION** made by Jon Andes to approve the minutes as submitted. Seconded by Allison Canada and unanimously approved.
- B. Finance Report – Jon Andes made the **MOTION** to approve the finance report as presented, seconded by Sarah Jones and unanimously approved.
- C. BRCP Energy Consulting Contracts - Noel Chesser of Enel X commented that BRCP was still in the evaluation process. Noel also shared this was a 10-year contract extended for 8 months – June 30, 2022. Reissued the RFP in November, bids were due the day before Thanksgiving.
- D. BRCPA PPA's for Renewable Energy – no progress to report.
- E. Audit Reports for FY '20 and FY '21 – Jon Andes made a **MOTION** to approve the audit reports as submitted. After a brief conversation regarding the fund balance, the motion was seconded by Bill Mengel and unanimously approved.

III. Manager's Report - Allan Gorsuch, Manager

- A. Revised Participant List – An updated listing will be shared after today's meeting. Changes should be sent to Robin.
- B. Communications/Correspondence – Briefly shared issue with hacking relative to Washington Gas in Worcester County and offered any assistance that the Trust could provide.
- C. Town of Federalsburg Application – Upon a **MOTION** by Allison Canada for membership into the Trust for the Town of Federalsburg as recommended, seconded by Sarah Jones, the motion was unanimously approved. Eric Meyer is to reach out to Mr. DiRe for data on their accounts.



(EASTERN SHORE OF MARYLAND EDUCATIONAL CONSORTIUM)

ESMEC ENERGY TRUST

Mark E. Miller, CPPO, CPPB, C.P.M. - Chairman
Allison M. Canada, CPPO, C.P.M. - Vice Chair
R. Allan Gorsuch, Ed.D. - Manager

- D. Renewable/Energy Projects Update Form – Reach out to the ESMEC office for this form for any new projects you may have up and coming.
- E. Other – Renewable energy information being requested by the IAC. Noel Chesser advised he was starting to get inquiries from other school systems as well. He will get clarification on this request and will send the information to Dr. Gorsuch, who will distribute to everyone.

IV. Enel X - Noel Chesser, Principal Energy Advisor

- A. Energy Market Update – Noel shared there was a lot going on as you see in this handout. Shared that demand remains resilient and that supply has not kept pace. Discussed OPEC's Plan of 400,000 barrels a day as their target for February. Will meet in February to set target for March. They like prices in the \$80.00 a barrel range. Spoke about Canada holding the 3rd highest crude reserves in the world - having some impact on oil prices. The big push for nuclear; presenting a real challenge in Europe. LNG going to Asia and now to Europe because prices are higher. A good bit of natural gas is being exported. Be aware that now more than ever it's a global market.

Talked about key component, polysilicon, causing solar panel prices to increase.

Regarding renewable energy certificate prices – Washington Gas buys on behalf of ESMEC Energy Trust: Tier 1 and solar component. Compliance payment serves as a cap and shared that the Trust was grandfathered in under lower % requirements until 2026, saving quite a bit of money.

- B. Enel X Portfolio Performance Reports - Eric Meyer, Senior Portfolio Analyst reviewed the Portfolio report, highlighting the following:

Higher transmission charge (about 13% of overall supply cost)– transmission requirements reset every January. Stated the increase was not out of the ordinary. Prices are set using peak demands for previous summer (2021 summer).

The Trust's portfolio is fully hedged thru 2024 and stated that it is very fortunate not to have to buy into the elevated market until 2024.

- C. Billing Rates – Recommended by EnelX:

Billing Rate adjustment: increase the billing rate to \$0.070 per Kwh from February 2022 to June 2022 and adopt the average billing rate of 0.066 per Kwh for FY 2023, effective July 1, 2022.

Upon a **MOTION** by Allison Canada, seconded by Sarah Jones, the recommendations were unanimously approved (see slide 18 of Portfolio Report).



(EASTERN SHORE OF MARYLAND EDUCATIONAL CONSORTIUM)

ESMEC ENERGY TRUST

Mark E. Miller, CPPO, CPPB, C.P.M. - Chairman
Allison M. Canada, CPPO, C.P.M. - Vice Chair
R. Allan Gorsuch, Ed.D. - Manager

Mark Miller reminded everyone be proactive in paying their WGL bills so we do not incur additional expenses for having a negative balance this Winter/Spring. (Slide 18 of Portfolio Report). Noel Chesser noted that the working capital deficiency charge would be negligible.

- D. Enel X Contract Proposal* - **MOTION** was made by Sarah Jones, seconded by Bill Mengel, to authorize the Leadership team (Mark Miller, Allison Canada and Allan Gorsuch) to work with Enel X to develop a proposed/fallback contract effective July 1, 2022 to be executed in the event BRCPC contract does not materialize. The motion was unanimously approved.

The meeting adjourned at 11:27 a.m.

Respectfully submitted,

R. Allan Gorsuch, Manager

Robin Fairall, Secretary

Next Meeting: Via Zoom – March 17, 2022