



**Debra Heffernan**  
STATE REPRESENTATIVE  
6th District

HOUSE OF REPRESENTATIVES  
STATE OF DELAWARE  
411 LEGISLATIVE AVENUE  
DOVER, DELAWARE  
19901

COMMITTEES  
Natural Resource & Energy, Chair  
Capital Infrastructure, Co-Chair  
Agriculture  
Health & Human Development  
Veteran Affairs

**House Natural Resource & Energy Committee Minutes**  
4.16.25  
*House Committee Recording*

Chair Heffernan called the meeting to order at 4:03 p.m.

Members present:

Rep. Heffernan, Chair  
Rep. Phillips, Vice Chair  
Rep. Collins  
Rep. Hilovsky  
Rep. Burns  
Rep. Bush  
Rep. Lambert  
Rep. Postles  
Rep. Gray

Chair Heffernan introduced Agenda Item No. 1: **SJR 3 w/ SA 2 DIRECTING ALL ELECTRIC PUBLIC UTILITIES IN DELAWARE TO PARTICIPATE IN A STUDY TO BE UNDERTAKEN BY THE DELAWARE SUSTAINABLE ENERGY UTILITY TO ASSESS AND ANALYZE THE COSTS AND BENEFITS OF THE ADOPTION OF ENERGY STORAGE SYSTEMS IN DELAWARE, AND DIRECTING THE DELAWARE SUSTAINABLE ENERGY UTILITY TO CONDUCT A PILOT PROGRAM WITH THE PARTICIPATION AND COOPERATION OF CERTAIN ELECTRIC UTILITIES TO DEVELOP AND DEPLOY PILOT PROJECTS INVOLVING BATTERY STORAGE SYSTEMS IN DELAWARE.** *Time Stamp: 4:07*

SJR 3 w/ SA 2, sponsored by Rep. Burns in the House, directs the Delaware Sustainable Energy Utility (DESEU) to initiate and undertake a study to assess and analyze the costs and benefits of the adoption of Energy Storage Systems, both in front of and behind the meter, by all electric public utilities in Delaware. The resolution also directs the DESEU to conduct a pilot program and provide guidance and a level of funding, to be determined by the DESEU, to support Delmarva Power & Light Company, the Delaware Municipal Electric Corporation, the Delaware

Electric Cooperative, and one independent power producer to deploy at least one battery storage pilot project in Delaware to serve their Delaware service territory.

Rep. Postles asked if the bill proposes at least four storage pilot projects in Delaware. Rep. Burns affirmed that it is correct.

Rep. Gray inquired about the estimated size of each project. Rep. Burns affirmed that size may vary depending on the availability of funding.

Rep. Hilovsky asked if different pilot projects will use different technologies for storage to assess the most efficient system. Rep. Burns affirmed that all pilot projects will use the same systems.

Chair Heffernan inquired about the source of funding for these projects. Rep. Burns affirmed that it will be negotiated between the DESEU and each of the utility companies.

Chair Heffernan opened the floor for public comment. *Time Stamp: 4:23*

Members of the public, including James Nutter representing Delaware Electric Cooperative and Anne Farley representing Delmarva Power & Light, voiced support for the legislation.

Rep. Collins put forth a final question on whether there was enough solar power to make these battery plants valuable. Rep. Burns responded that battery storage does not need to be coupled with solar, as it can help mitigate high prices during peak demand regardless of the energy source. He added that storage supports the grid and reduces costs, but it can be paired with any form of energy production.

A motion was made by Rep. Phillips and seconded by Rep. Lambert to release SJR 3 w/ SA 2 from committee; motion failed. Chair Heffernan stated that she would offer the bill for signatures from committee members not present. Yes = 7 (Burns, Gray, Heffernan, Hilovsky, Lambert, Phillips, Postles); No = 1 (Collins); Absent = 6 (Bush, Carson, Griffith, Harris, Snyder-Hall, Vanderwende). The bill was later released from committee with a F=0, M=8, U=0 vote.

Chair Heffernan introduced Agenda Item No. 2: **HB 80 AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO RENEWABLE ENERGY PORTFOLIO STANDARDS.** *Time Stamp: 4:34*

HB 80, sponsored by Rep. Smith, pertains to the Renewable Portfolio Standard (RPS). This bill would reduce the current standard from 25 percent to 10 percent and freeze that level for the next 10 years. Rep. Smith stated that the bill maintains renewable energy as part of Delaware's energy portfolio while taking constituent needs into consideration. He explained that Delaware does not currently produce enough renewable energy to meet existing or future RPS requirements. Additionally, renewable energy is in short supply across the regional power grid, resulting in higher distribution charges to transmit it to Delaware. Over the past two years, Delmarva Power has spent roughly \$13 million in compliance fees, which have been passed along to consumers. Rep. Smith emphasized that this legislation is intended to provide financial relief to Delawareans.

Rep. Phillips asked about the rationale behind maintaining the 10 percent benchmark for 10 years. Rep. Smith responded that the intent was to freeze the requirement for a decade to allow the infrastructure time to catch up. Rep. Phillips further inquired what percentage of the RPS Delaware electric providers met in the last compliance report. Rep. Smith responded that he did not have the information available.

Rep. Hilovsky asked whether the bill was introduced because the current RPS standard is unattainable. Rep. Smith confirmed that it was. Rep. Phillips remarked that PJM has electric projects nearing completion that might help Delaware reach its renewable targets in the coming year. Rep. Smith asked what that would raise Delaware's standard level to. Rep. Phillips replied that she was not certain. Rep. Postles responded to the comment, stating that PJM's projects would not be sufficient to meet statewide standards.

Rep. Heffernan called expert witness Andrew Slater, Executive Director of Energize Delaware, to address whether the bill would benefit or negatively impact Delaware ratepayers. Slater explained that there are major concerns related to contract obligations, and that even if Delaware freezes the rates, costs have already accelerated.

Rep. Gray inquired how reducing the requirement from 25 percent to 10 percent would lower consumer costs. Slater prefaced his response by noting he had not reviewed Delmarva's contracts but argued that the bill could accelerate costs because it may violate contract clauses.

Rep. Smith asked how Slater could make that assertion without having reviewed the contracts. Slater posed the same question back to Rep. Smith, who responded that his statements were based on the standard Delaware is currently meeting. Rep. Smith then asked if Slater could provide figures based on his experience running the Solar Renewable Energy Certificate (SREC) auctions in 2012. Slater explained that they had to reach 23 percent due to the current standard and noted that the RPS had decreased by 4 percent over the past three years. He added that while some claim the RPS costs \$20 per month, it also supports an energy load three times greater than Delmarva's usage. Slater concluded that the bill would revert Delaware to a lower standard.

Rep. Smith then called expert witness Lisa Oberdorf from Delmarva Power to respond to the preceding discussion. Oberdorf stated that without reviewing all relevant contracts, she could not make definitive statements. She noted that such contracts are typically forward-looking and said the potential impacts would need to be evaluated, adding that she did not wish to speculate.

Rep. Gray asked Oberdorf whether she believed the bill would help consumers reduce electricity costs. Oberdorf replied that she could not provide a definitive answer due to the uncertainty around the contracts' impact. She stated that there could be short-term benefits but again declined to speculate.

Rep. Collins suggested that the committee release the bill with the understanding that all members would conduct further research on the issue. Rep. Smith added that he would gladly contribute a cost-benefit analysis.

Chair Heffernan opened the floor for public comment. *Time Stamp: 5:01*

Members of the public, including Tyler Micik of the Delaware State Chamber of Commerce and Joe Fitzgerald of the New Castle County Chamber of Commerce, voiced support for the legislation.

Members of the public, including Dustyn Thompson, Chapter Director of the Sierra Club Delaware Chapter; Marissa McClenton, Environmental Justice Organizer with the Sierra Club Delaware Chapter; Richard Trask; James Nutter, representing the Delaware Electric Cooperative; Anne Farley, representing Delmarva Power & Light; John Irwin, Co-Chair of the Climate and Energy Committee with the Sierra Club Delaware Chapter; Emily Knearl, Delaware External Affairs Advisor for The Nature Conservancy; and Shweta Arya, former Executive Director of Delaware Interfaith Power & Light, opposed the legislation.

A motion was made by Rep. Phillips and seconded by Rep. Burns to table HB 80; motion carried. Yes = 9 (Burns, Bush, Collins, Gray, Heffernan, Hilovsky, Lambert, Phillips, Postles); No = 0; Absent = 6 (Carson, Griffith, Harris, Snyder-Hall, Vanderwende). The vote to table passed.

Chair Heffernan adjourned the meeting at 5:29 p.m.

Respectfully submitted by,  
Kate Bowman

#### **Attendance List**

- James Nutter (Delaware Electric Cooperative)
- Anne Farley (Delmarva Power & Light)
- Andrew Slater (Energize Delaware)
- Lisa Oberdorf (Delmarva Power)
- Tyler Micik (Delaware State Chamber of Commerce)
- Dustyn Thompson (Chapter of the Sierra Club)
- Marissa McClenton (Sierra Club Delaware Chapter)
- Richard Trask
- James Nutter (Delaware Electric Cooperative)
- John Irwin (Sierra Club Delaware Chapter)
- Emily Knearl (The Nature Conservancy)
- Shweta Arya (Delaware Interfaith Power & Light)