

City of Milford



CITY COUNCIL AGENDA

Monday, October 23, 2017

Joseph Ronnie Rogers Council Chambers
Milford City Hall, 201 South Walnut Street, Milford, Delaware

MEETING CANCELED DUE TO LACK OF QUORUM*

7:00 P.M.

PUBLIC HEARING

F. Jerry & Jan W. Kovach

Final Minor Subdivision of 16.46+/- acres in an
R1 (Single Family Residential) and C3 (Highway Commercial) Zoning District.
Property is located at 560 S DuPont Blvd and 17776 Oak Hill Dr, Milford Delaware.

Present Use: Residential; Proposed Use: Same
Tax Map 1-30-3.11-002.00 and 1-30-3.11-009.00

COUNCIL MEETING

Call to Order - Mayor Bryan Shupe

Invocation

Pledge of Allegiance

Recognition

Communication & Correspondence

DEMEC/Municipal Electric Utilities Renewable Portfolio Standard/2016-2017 Program Year

Unfinished Business

New Business

Adjourn

All items on the agenda are subject to a potential vote.

SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT NO LATER THAN ONE WEEK PRIOR TO MEETING; NO PAPER DOCUMENTS WILL BE ACCEPTED OR DISTRIBUTED AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.

From: Crouch, Christine

Sent: Monday, October 23, 2017 3:53 PM

To: Campbell, Archie <acampbell@milford-de.gov>; Mergner, Christopher <CMergner@milford-de.gov>; Burk, James <JBurk@milford-de.gov>; Peel Lisa <lpeel@milford-de.gov>; Brooks, Owen <obrooks@milford-de.gov>; Morrow, Doug <dmorrow@milford-de.gov>; Starling, James <JStarling@milford-de.gov>; Wilson, Katrina <kwilson@milford-de.gov>

Cc: Mayor Shupe <Mayor@milford-de.gov>; Norenberg, Eric <ENorenberg@milford-de.gov>; Hudson, Terri <thudson@milford-de.gov>; Brown Kenneth (Milford PD) (kenneth.brown@CJ.State.de.us) <kenneth.brown@CJ.State.de.us>; David Rutt (dnrutt@mooreandrutt.com) <dnrutt@mooreandrutt.com>; Pierce, Rob <rpierce@milford-de.gov>

Subject: CANCELLED: Council Meeting Tonight

Importance: High

Good afternoon Council.

Due to unforeseen circumstances, it has been determined there will **not** be a quorum of Council this evening, therefore the Council meeting scheduled for tonight at 7:00 pm has been **cancelled**.

The Public Hearing scheduled for this evening has been added to the November 13 Council agenda.

Thank you.

Christine R. Crouch, CMC
Deputy City Clerk | Executive Assistant
302.422.1111, F 302.424.3558
www.cityofmilford.com

CITY OF MILFORD
NOTICE OF PUBLIC HEARINGS

PLANNING COMMISSION PUBLIC HEARING: SEPTEMBER 19, 2017
CITY COUNCIL PUBLIC HEARING: OCTOBER 23, 2017

NOTICE IS HEREBY GIVEN the Planning Commission for the City of Milford will hold a Public Hearing on Tuesday, September 19, 2017 at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

A FINAL PUBLIC HEARING is scheduled before Milford City Council on Monday, October 23, 2017 at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

F. Jerry & Jan W. Kovach

Final Minor Subdivision of 16.46+/- acres in an
R1 (Single Family Residential) and C3 (Highway Commercial) Zoning District.
Property is located at 560 S DuPont Blvd and 17776 Oak Hill Dr, Milford Delaware.
Present Use: Residential; Proposed Use: Same
Tax Map 1-30-3.11-002.00 and 1-30-3.11-009.00

All parties of interest are hereby notified to be present and to express their views before a final decision is rendered. If unable to attend, written comments will be accepted up to one week prior to the hearing. For additional information, please contact Rob Pierce in the Planning Department at Milford City Hall, via email at RPierce@milford-de.gov or by calling 302.424.8396 x1311.

By: Christine Crouch, CMC
Deputy City Clerk

Advertised: Beacon 08/30/17



DATA SHEET FOR LANDS OF JERRY & JAN KOVACH

Planning Commission Meeting: September 19, 2017

Application Number / Name	:	17-013 / Jerry & Jan Kovach
Applicant	:	Jerry & Jan Kovach 17776 Oak Hill Drive Milford, DE 19963
Owner	:	Same
Application Type	:	Final Minor Subdivision/Lot Line Adjustment
Present Comprehensive Plan Map Designation	:	Low Density Residential (parcel 002.00) Highway Commercial (parcel 009.00)
Present Zoning District	:	R-1 (Single-Family Residential District) C-3 (Highway Commercial District)
Present Use	:	Residential
Proposed Use	:	Residential
Size and Location	:	Parcel 002.00 – 5.06 +/- acres of land known as 560 S. Dupont Boulevard. Parcel 009.00 – 11.4 +/- acres of land known as 17776 Oak Hill Drive
Tax Map & Parcel	:	1-30-3.11-002.00 & 1-30-3.11-009.00

ENC: Staff Analysis Report
Exhibit A – Location & Zoning Map
Exhibit B – Survey

STAFF REPORT
August 6, 2017

Application Number / Name	:	17-013 / Jerry & Jan Kovach
Present Comprehensive Plan Designation	:	Low Density Residential (parcel 002.00) Highway Commercial (parcel 009.00)
Present Zoning District	:	R-1 (Single-Family Residential District) C-3 (Highway Commercial District)
Present Use	:	Residential
Proposed Use	:	Residential
Tax Map & Parcel	:	1-30-3.11-002.00 & 1-30-3.11-009.00
Size and Location	:	Parcel 002.00 – 5.06 +/- acres of land known as 560 S. Dupont Boulevard. Parcel 009.00 – 11.4 +/- acres of land known as 17776 Oak Hill Drive

I. STAFF ANALYSIS:

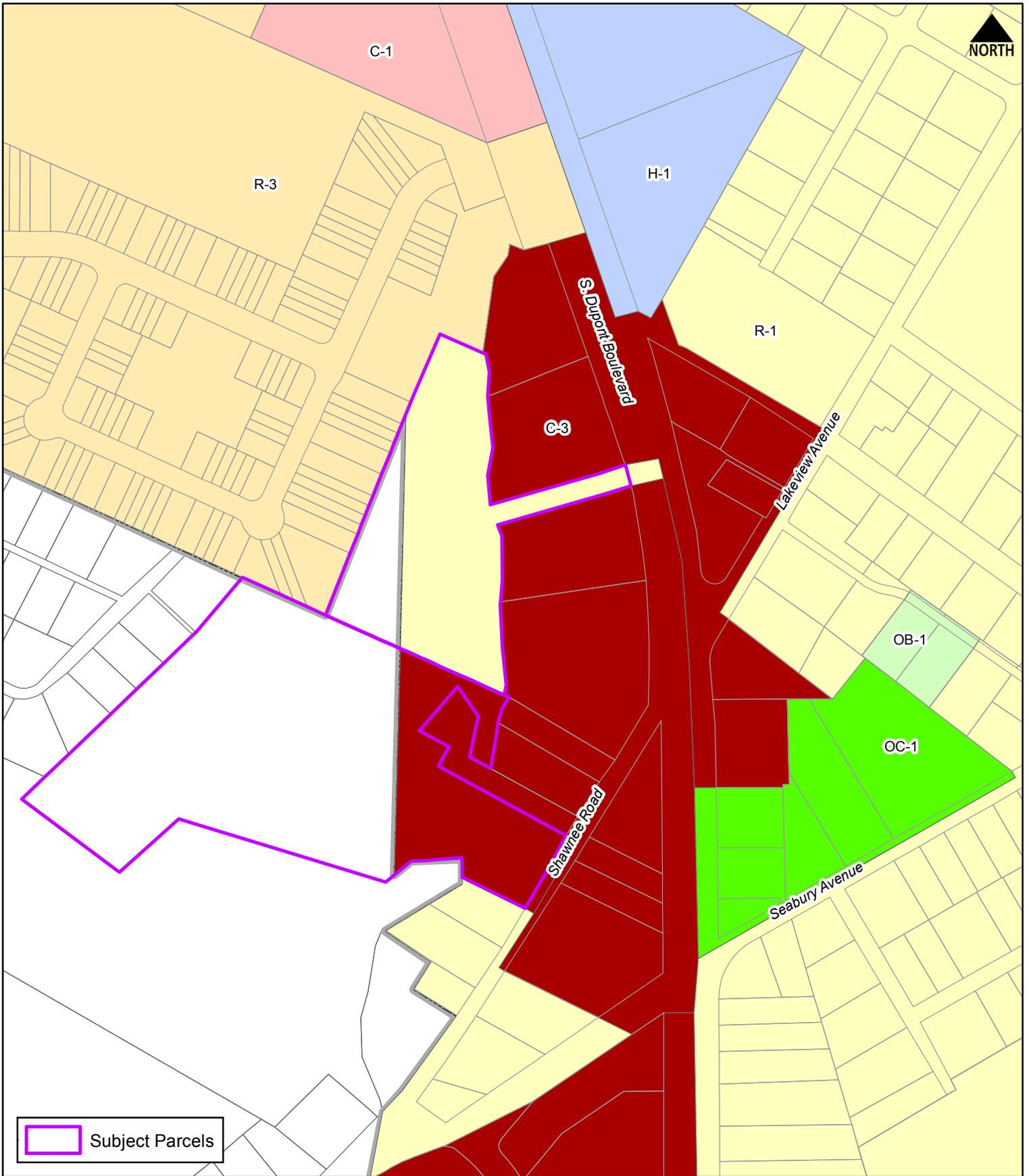
The applicant is the owner of both properties affected by the proposed lot line adjustment. Both parcel 002.00 & 009.00 are located partially in the City of Milford and within the unincorporated areas of Sussex County. The lot line adjustment will require administrative approval from Sussex County prior to recordation and legal adjustment of the property line.

As a result of the properties being split by the municipal boundary, the properties are split zoned. See attached zoning exhibit for City of Milford zoning.

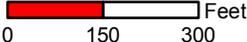
The applicant proposes to convey seventy-six (76) feet of property from parcel 002.00 to parcel 009.00.

II. AGENCY COMMENTS:

- DelDOT – No comments solicited
- Sussex Conservation District – No comments solicited
- State Fire Marshal – No comments solicited



 Subject Parcels

	Scale:  Feet 0 150 300	Title: Minor Subdivision/Lot Line Adjustment Jerry & Jan Kovach Location & Zoning Map
	Drawn by: WRP Date: 07/31/17	
Filepath: MinorSubdivision_Kovach.mxd		

§ 230-9. - R-1 Single-Family Residential District.

In an R-1 District no building or premises shall be used and no building shall be erected or altered which is arranged, intended or designed to be used except for one or more of the following uses and complying with the requirements so indicated.

- A. Purpose. The intent of the R-1 Residential District is to preserve the spacious residential atmosphere and quality of living of existing low-density residential development, to provide for the orderly and appropriate development of new low-density housing and to allow related uses that would not be detrimental to the residential character of the district.
- B. Permitted uses. Permitted uses for the R-1 District shall be as follows:
 - (1) A single-family detached residential dwelling.
 - (2) Farming, agricultural activities and roadside stands for the sale of farm and nursery products produced on the property where offered for sale.
 - (3) Municipal and public services and facilities, including City Hall, water storage towers, water reservoirs, water pumping stations, water treatment plants, sewage pumping stations, sewers (storm and sanitary), street rights-of-way, utility transmission and distribution lines, public transportation bus or transit stops, police and fire stations and substations for electric, gas and telephone facilities.
 - (4) Parks, playgrounds, athletic fields, recreation buildings, swimming pools and community centers operated on a noncommercial basis for recreation purposes.
 - (5) Customary accessory uses, such as private garages, swimming pools and storage sheds, subject to the following special requirements:
 - (a) The primary residence must exist or be under construction.
 - (b) Private residential garages shall not exceed 750 square feet.
 - (c) Residential storage sheds or related outbuildings shall not exceed 150 square feet.
 - (6) Home occupational/office (subject to the following special requirements):
 - (a) All employees are to be of the immediate family.
 - (b) The appearance of the dwelling shall not be inconsistent with the primary use of the structure.
 - (c) The area used for the home occupation shall not exceed 30% of the total floor area of the dwelling, unless, as in the case of family day care, the state has final jurisdiction of the area requirements.
 - (d) No storage of products or associated materials is allowed in accessory structures/buildings, and no products are to be stored where they are outwardly visible to the public view.
 - (e) Family day care shall involve a maximum of six full-time and two after-school children, as specified by state regulations.
 - (f) The occupation will not cause excessive vehicular traffic or noise.
 - (g) The occupation will not involve animal boarding and/or care.
 - (h) A maximum of one nonilluminated sign (size and setback specified in Article VI of this chapter) may be affixed to the building or placed within the front property line.
- C. Conditional uses subject to special regulations. The following uses may be permitted with the approval of a conditional use permit by the Milford City Council in accordance with the provisions in Article IX of this chapter:
 - (1) Churches and other places of worship and cemeteries.
 - (2) Public and private elementary, junior or senior high schools.

- (3) Day-care centers.
- (4) Conversion of a one-family dwelling into multiple dwelling units, if such dwelling is structurally sound but too large to be in demand for one-family use and if that conversion would not impair the character of the neighborhood, subject to conformance with the following requirements:
 - (a) There shall be a lot area of at least 2,000 square feet for each unit to be accommodated.
 - (b) There shall be a gross leasable floor area, computed as the sum of those areas enclosed by the outside faces of all exterior walls surrounding each story used for the residence, exclusive of any area for any accessory private garage, of at least 500 square feet per family to be accommodated.
 - (c) No dwelling shall be converted unless it complies with Chapter 145, Housing Standards, and Chapter 88, Building Construction, of this code.
 - (d) No addition shall extend within the front yard, side yards or rear yard required for the district within which it is located.
 - (e) Fire escapes and outside stairways leading to a second or higher story shall, where practicable, be located on the rear of the building and shall not be located on any building wall facing a street.
 - (f) Two off-street parking spaces shall be provided for each additional dwelling unit created.
- (5) Professional occupation restricted to the owner/occupant, subject to conformance with the following requirements:
 - (a) There shall be three off-street parking spaces in addition to those otherwise required.
 - (b) No more than two persons shall be employed by the practitioner of the professional occupation to provide secretarial, clerical, technical or similar assistance.
 - (c) No storage of materials or products outside the dwelling shall be permitted unless completely housed.
 - (d) The area used for the practice of a professional occupation shall occupy no more than 50% of the total floor area, including garages or other accessory buildings.
 - (e) The professional use shall be clearly incidental to the residential use of the dwelling and shall not change the essential residential character of the dwelling.
 - (f) No external alterations inconsistent with the primary residential use of the dwelling shall be allowed.
 - (g) No display of products shall be visible from outside the building.
 - (h) A maximum of one nonilluminated display sign affixed to the building not exceeding two square feet shall be permitted.
- (6) Customary home occupation or a studio for artists, designers, photographers, musicians, sculptors and other similar persons, subject to conformance with the following requirements:
 - (a) The area used for the practice of the home occupation or studio shall occupy no more than 50% of the total floor area of the dwelling unit in which it is located.
 - (b) No storage of materials or products outside the dwelling shall be permitted unless completely housed.
 - (c) The home occupation or studio shall be clearly incidental to the residential use of the dwelling and shall not change the essential residential character of the dwelling.
 - (d) No external alterations inconsistent with the primary residential use of the dwelling shall be allowed.
 - (e) No display of products shall be visible from outside the building.

- (f) A maximum of one nonilluminated display sign affixed to the building not exceeding two square feet shall be permitted.
- (g) A maximum of two employees shall be permitted in the operation of the home occupation or studio.
- (7) Social club or fraternal, social service, union or civic organization.
- (8) Cultural facilities, including a library, museum or art gallery.
- (9) Country club, regulation golf course, including customary accessory uses, provided that all buildings have a minimum setback of 120 feet from all street and property lines.
- (10) Planned unit residential development.
- (11) Planned Residential Neighborhood Development.
- (12) Bed-and-breakfast, subject to the following requirements:
 - (a) The bed-and-breakfast establishment does not adversely affect the residential character of the neighborhood and such use is carried on in an existing residential structure.
 - (b) The building proposed for use as a bed-and-breakfast must have the owner of the bed-and-breakfast residing in the building as his/her principal residence.
 - (c) The serving of meals shall be limited to breakfast and afternoon tea for overnight guests and customers.
 - (d) Rooms used for sleeping shall be part of the primary residential structure and shall not have been specifically constructed for rental purposes.
 - (e) No exterior alterations other than a sign and those required by law to ensure the safety of the structure shall be made.
 - (f) The bed-and-breakfast operation shall not use more than 50% of the floor area of the principal residence. Common areas such as the kitchen, foyer, living room or dining room are not included in this calculation.
 - (g) No areas shall be floodlit. Drives and parking areas shall not be illuminated by lighting fixtures higher than 20 feet. Sidewalks shall not be illuminated by lighting fixtures higher than 15 feet. Exterior lighting shall be so shaded as to prevent illumination off-site. All external lighting, except for demonstrated security needs, shall be extinguished by 10:00 p.m.
 - (h) All bed-and-breakfasts must be in compliance with the requirements of the Uniform Building Code and Uniform Fire Code as adapted and enforced by the state fire marshal. Requirements include smoke detectors centrally located on each floor with sleeping rooms and the basement stairway. They must have battery backup and be connected or have a sounding device to provide an alarm which can be heard in all sleeping areas. Every sleeping room must provide at least 50 square feet of floor area per guest and have an operable window of 5.7 square feet or more of clear opening or exterior door for emergency escape or rescue. The maximum distance to a fire extinguisher rated 2A and having a BC rating is 75 feet.
 - (i) Safe food handling is the responsibility of the "host." He/She must properly train employees and other household members in safe food handling procedures and requirements and secure the proper state health permit if applicable.
 - (j) Parking requirements: one space per guestroom plus two spaces for residence. Spaces shall be located to the side and rear of the building and shall be screened from adjacent properties by a five-foot-high wood or masonry fence or by sight-obscuring vegetation of the same height. The area of the parking lot, including driveways, shall be graded, surfaced with asphalt or other suitable material and drained to the satisfaction of the City Engineer to the extent necessary to prevent dust, erosion or excessive water flow across streets or adjoining properties.

- (k) Signs. For each bed-and-breakfast, one small unlighted announcement sign not exceeding three square feet in area may be attached to and parallel with the front porch or wall of the building.

D. Area regulations.

- (1) Minimum lot area shall be 10,000 square feet. Minimum interior lot shall be 10,000 square feet. Minimum corner lot shall be 13,000 square feet.
- (2) Maximum lot coverage shall be 30%, exclusive of accessory buildings.
- (3) Minimum lot width shall be 80 feet.
- (4) Height of buildings shall not exceed three stories or 35 feet. Accessory buildings shall not exceed 15 feet in height.
- (5) Minimum front building setback line shall be 25 feet.
- (6) Minimum rear yard shall be 25 feet. For corner lots the rear yard may be reduced 20% in depth to allow for skewing of a residential dwelling on the lot.
- (7) Side yards shall be provided as follows: each lot shall have two side yards with a minimum of 12 feet each.
- (8) Parking shall comply with the requirements provided in Article IV of this chapter.
- (9) Signs shall comply with the requirements provided in Article VI of this chapter.
- (10) Decks, subject to the following requirements:
 - (a) The deck cannot be located in the front yard.
 - (b) A minimum distance of 10 feet must be maintained from the deck to the rear property line.

§ 230-14. - C-3 Highway Commercial District.

In a C-3 District no building or premises shall be used and no building shall be erected or altered which is arranged, intended or designed to be used except for one or more of the following uses and complying with the requirements so indicated.

- A. Purpose. The purpose of the C-3 District is to provide for larger-scale commercial uses that may require large amounts of parking space or have a high traffic impact. These uses generally require locations on major arterial routes and serve both local and regional customers.
- B. Permitted uses. Permitted uses for the C-3 District shall be as follows:
 - (1) Those uses permitted in the C-2 District.
 - (2) Warehouses.
 - (3) Large retail outlets.
 - (4) Indoor storage accessory building.
 - (5) Fast-food restaurants and drive-in restaurants.
 - (6) Supermarkets.
 - (7) Truck and trailer rentals.
 - (8) Roadside produce market.
 - (9) Memorial stone shop.
 - (10) Outdoor commercial recreational facilities, not motorized vehicles.
 - (11) Swimming club.
 - (12) Indoor facility for amusement or assembly.

- (13) Bus station.
- C. Conditional uses subject to special requirements. The following uses are permitted subject to receiving a conditional use permit by the City Council as provided in Article IX of this chapter:
 - (1) Motels or hotels with a minimum lot size of three acres.
 - (2) Commercial greenhouse.
 - (3) Wholesale establishment.
 - (4) Newspaper publishing or printing establishment.
 - (5) Contractors', craftsmen's or general service shops, including welding and similar shops.
 - (6) Laboratory, testing and research.
 - (7) Car repair shops.
 - (8) Used car lots.
 - (9) Telephone central office or television cable central office.
 - (10) Service station, automobile sales agency, public garage, parking garage or lot, but not including storage of wrecked cars, subject to the following special requirements:
 - (a) All facilities shall be located and all services shall be conducted on the lot.
 - (b) All repair work shall be conducted within an entirely enclosed building.
 - (c) No equipment for the service of gasoline or oil shall be placed closer to any street or property line than 20 feet.
 - (d) No portion of such structure or its equipment shall be located within 500 feet of the premises of any school, hospital, church or public recreation building.
 - (e) No service station shall be located within 800 feet of another service station on the same side of the street within the same block.
 - (f) Any such use shall be permitted only where it is determined that it will not materially interfere with the main pedestrian movement in conjunction with a compact retail area.
 - (11) Shopping center, subject to site plan review and the following site requirements:
 - (a) The total shall not be less than one acre.
 - (b) The site must be served by public water, sewer and electricity.
 - (c) Stormwater drainage. The facilities shall be provided by the developer to handle the increase in stormwater runoff, and he shall make contributions towards the cost of off-site facilities of the shopping center.
 - (d) Traffic and parking.
 - [1] The internal circulation of traffic shall be separated from the external street system, and pedestrian and vehicular traffic shall be separated through traffic control devices and appropriate site design.
 - [2] Access to state highways shall be controlled by the State Department of Transportation.
 - [3] The minimum distance between accessways and a residential district shall be 50 feet.
 - [4] Spacing of accessway.
 - [a] From adjoining property: 50 feet.
 - [b] From minor intersections: 50 feet.
 - [c] From major intersections: 100 to 150 feet.

- [5] Five and one-half parking spaces shall be provided per 1,000 feet of leasable area.
- [6] Parking lots shall be attractively landscaped as shown on the general site plan.
- (e) Setback.
 - [1] From street right-of-way: 15 feet.
 - [2] From nonresidential districts: 15 feet.
 - [3] From residential districts: 100 feet.
- (f) Buffering and landscaping.
 - [1] There shall be a minimum of a ten-foot landscaped buffer along all lot lines. The screening shall be six feet high near residential districts.
 - [2] Ten percent of the site shall be landscaped and may include features such as pedestrian walking or rest areas and courtyards.
- (12) Day-care centers, with site plan required.
- (13) Car wash, all types (staffed, automatic, self-service, etc.).
- (14) Convenience stores with gas pumps.
- (15) Community residential treatment program.
- (16) All dwellings other than single-family with a maximum density of 12 units per acre.
- (17) Business, commercial or industrial uses that do not adversely affect neighboring properties.
- (18) Billboard, subject to the following:
 - (a) Shall be constructed and maintained in accordance with the Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions.
- (19) Aquarium.

D. Area regulations.

- (1) Minimum lot area shall be one acre.
- (2) Maximum lot coverage shall be 80%.
- (3) Minimum lot width shall be as follows: for an interior lot 150 feet and for a corner lot 170 feet.
- (4) Height of buildings shall not exceed three stories or 35 feet, with the following exception: a motel, hotel, or aquarium may be erected to a height of over three stories, but not over five stories, and not exceeding 60 feet.
- (5) Minimum building setback shall be 30 feet.
- (6) Side yards shall be provided as follows: each lot shall have two side yards a minimum of 20 feet with a minimum aggregate width of two side yards of 50 feet.
- (7) Minimum rear yard shall be 50 feet.
- (8) Parking shall comply with the requirements provided in Article IV of this chapter.
- (9) Landscape screening shall comply with the requirements provided in Article V of this chapter.
- (10) Signs shall comply with the requirements provided in Article VI of this chapter.



DEMEC

Delaware Municipal Electric Corporation

22 Artisan Drive, PO Box 310, Smyrna, Delaware 19977 Phone 302 653-2733 Fax 302 653-2734

October 2, 2017

EMAIL DELIVERED

City of Milford Council
Attn: Eric Norenberg, City Manager
201 S. Walnut St.
Milford, DE 19963

RE: Submittal of the Municipal Electric Utilities Renewable Portfolio Standard Compliance Report for the 2016-2017 program year

Dear Councilmembers,

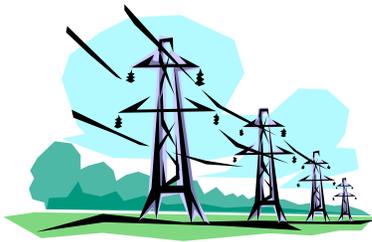
The Delaware Municipal Electric Corporation has completed the administration of the Municipal Electric Utilities Renewable Portfolio Standard for the 2016-2017 program year on behalf of all nine of our Municipal Electric Utilities. As per state statute, we submit to your local regulatory body a copy of the Municipal Electric Utilities Renewable Portfolio Compliance Report for your records.

If you have any questions or would like to discuss the plan in further detail, please feel free to contact me.



Patrick E. McCullar
President & CEO

cc: Delaware General Assembly
Robert Underwood, Delaware Energy Office, Co-Acting Director



DEMEC

Delaware Municipal Electric Corporation

22 Artisan Drive, PO Box 310, Smyrna, Delaware 19977 Phone 302 653-2733 Fax 302 653-2734

October 2, 2017

TO: Local Regulatory Authorities:

- City of Dover City Council
- City of Newark City Council
- City of Milford City Council
- Town of Middletown Town Council
- City of Seaford City Council
- City of Lewes Board of Public Works
- Town of Smyrna Town Council
- City of New Castle Municipal Services Commission
- Town of Clayton Town Council

Delaware General Assembly
Delaware Energy Office

FROM: Patrick E. McCullar, President & CEO, DEMEC

SUBJ: Municipal Electric Utilities Renewable Portfolio Standard (“MRPS”) 2016/2017
Compliance Year Report

In accordance with 26 Del. C. § 363(b), the Delaware Municipal Electric Corporation, acting on behalf of its member communities, submits the following MRPS Annual Report.

DEMEC Background

The Delaware Municipal Electric Corporation (“DEMEC”) is a Public Power utility incorporated as a not-for-profit Delaware corporation in 1979; the members of DEMEC are the nine municipal electric distribution utilities in Delaware. DEMEC provides joint services to the members.

- DEMEC generates electricity from its portfolio of owned generation assets and purchases electricity from other generators through staggered short, medium, and long term power contracts to meet the requirements of its member municipal utilities.
- Eight of the nine member municipal utilities receive 100% of their requirements from DEMEC through long-term take-or-pay contracts and the City of Dover receives partial requirements service.

- DEMEC has been authorized by its nine member utilities to manage the compliance obligation created by the Municipal Electric Utilities Renewable Portfolio Standard Plan.

Delaware Renewable Portfolio Standard Background

The Renewable Portfolio Standard (“RPS”) is a State-mandated policy that obligates each retail seller of electricity to include in its resource portfolio annually increasing amounts of electricity from Qualifying Renewable Energy Resources through 2025 and beyond. The municipal electric utilities were exempted from the RPS requirements prior to 2010.

In 2010 DEMEC and its members responded to a request from Delaware Governor Jack Markell by voluntarily joining the Delaware RPS under S.S. 1 for S.B. 119. The bill provided, among other things:

- Increasing the RPS target to 25% by 2025 with at least 3.5% from solar sources.
- Allowed municipal electric companies to develop and implement a comparable program to the State Renewable Energy Portfolio Standard for its ratepayers beginning in the 2013 Compliance Year (6/1/2013-5/31/2014).
- Provided a method to freeze the RPS compliance obligations for utilities if costs exceed “circuit breakers” of 3% of the total cost of purchased power for Renewable Energy Credits (RECs) and 1% for Solar Renewable Energy Credits (SRECs) in any calendar year.

DEMEC Renewable Energy Commitments

In developing a comparable plan, DEMEC evaluated its accomplishments and commitments regarding investments in renewable energy. DEMEC has invested in the development of a portfolio of qualifying renewable energy resources to achieve the lowest possible compliance cost to protect its ratepayers from unreasonable and burdensome impacts on their cost of electricity. DEMEC’s goal is to comply with the spirit of the Delaware RPS without creating a negative impact on the community ratepayers or the Delaware economy.

Non-Solar:

- DEMEC has committed to purchase all the renewable electricity and associated RECs from a wind farm (Laurel Hill) in north-central Pennsylvania under a 25-year agreement. Laurel Hill is a 69-megawatt (MW) wind generation facility consisting of 30 Siemens wind turbines, each capable of generating 2.3 MW. Laurel Hill is capable of generating enough electricity to power more than 20,000 homes.
- DEMEC was the first to sign an agreement with Blue Water Wind to purchase offshore wind energy. DEMEC remains committed to support and purchase wind energy from off the coast of Delaware.
- DEMEC’s service territory is home to the only significant wind generation system installed in the State of Delaware; the utility-scale 2-megawatt (2-MW) wind turbine is located at the University of Delaware’s (“UD”) Hugh R. Sharp Campus in Lewes. RECs generated by the University of Delaware’s wind turbine are purchased by DEMEC through an agreement. The proceeds support wind and intermittent renewable energy graduate student research fellowship(s) in the University’s College of Earth, Ocean, and Environment (CEOE).

Solar:

DEMEC is the leader in deployment of Solar Renewable Energy Resources in Delaware. Of the 88.6 MW of installed or committed solar generation resources in Delaware, a clear majority (47.7 MW, or 54% of the total) is installed in DEMEC municipal service territories. This becomes an even more striking statistic when you consider DEMEC municipal service territories make up less than 15% of electric service in the entire state. DEMEC has participated in the development of qualifying solar energy systems in all of the following RPS Taskforce defined Tier sizes:

Solar Renewable Energy Tier Groups (State definition by size):

- Tier 1 = 0 to 25 kW – Typical Residential Rooftop
- Tier 2 = 25 to 200 kW – Typical Small Commercial
- Tier 3 = 200 kW to 2 MW – Typical Large Commercial and Industrial
- Tier 4 = 2MW and Up – Utility Scale

Tier 1 and Tier 2 – Green Energy Grants

- DEMEC has encouraged and supported residential and commercial renewable energy systems since June 1, 2006 through the Municipal Green Energy Grants Program.
- DEMEC has leveraged over \$7 Million dollars of overall investment in renewable energy with over \$2.3 Million dollars of grants.
- DEMEC has encouraged and supported the State Renewable Energy Taskforce to enable the owners of previously stranded solar projects to participate in the State SREC Auction and Sustainable Energy Utility SREC Procurement processes.
- DEMEC will continue to evaluate the cost effectiveness of participating in the State SREC auction process as our compliance obligation for SRECs increases.

Tier 3 – Community Scale

- DEMEC has always maintained that each member community should have support in siting a renewable energy system in its borders for the benefit of the whole community. This makes possible participation in solar by low-income customers, those without an adequate solar resource, and those who otherwise could not afford participation.
- DEMEC, on behalf of the City of Newark, developed McKees Solar Park, a 230-kilowatt community solar farm. The project revitalized a 3.91-acre brownfield site off East Cleveland Avenue. The Solar Park provides Newark with a behind-the-meter renewable power source to serve all residents of the community by reducing the City's peak power demand, lowering the wholesale cost of power, generating solar renewable energy credits, bringing locally produced green energy to the City's electric users, and reducing the City's carbon footprint. The 900-panel array produces enough electricity to power approximately 26 to 36 homes, depending on the season. The McKees Solar Park went commercial October 2014.
- DEMEC also conceived and proposed to the City of Newark the State of Delaware's first opt-in community solar program. This program was approved by Newark City Council on June 23, 2014 to launch programs to promote community involvement in the solar park. There are several program participation options such as: "Sun Ray" in which subscribers have the opportunity to make a one-time investment of \$50 in return for a monthly rebate of \$1.00 and the opportunity to purchase one (1), 100 kilowatt-hour block of power generated from McKees Solar Park each month for ten years. Participants can

also select from a variety of a tax-deductible donation options to support the solar park and be recognized on the City's website. DEMEC's Community Solar Model for the City of Newark has been recognized **twice** by the national solar industry trade group, Solar Energy Power Association (SEPA), as a leading program design for increasing access to solar energy to the public. DEMEC intends to help its members replicate this unique model.

- Several other DEMEC communities are working toward installing their own community solar projects in various tiers :
 - Clayton - 4.0 KW firehouse project – went commercial 2Q/2015
 - New Castle - 29.0 KW project near its water treatment facility – went commercial 3Q/2016
 - Smyrna - ~1.5 MW project next to Smyrna public works building – Construction Phase expected completion 4Q/2017
 - Seaford – ~690 KW project – went commercial 1Q/2017
 - Middletown and Lewes are also considering initial concept designs for their own community solar projects
 - DEMEC will continue to support community interest, low-income participation, and meet its RPS obligation concurrently by investing in these community solar projects on behalf of their members.

Tier 4 – Utility Scale

- DEMEC recognized early on that the legislative circuit breakers for photovoltaics would be hit and freeze the solar portion of the municipal RPS plan within a few years if the compliance cost was not carefully managed. In order to avoid hitting the legislative circuit breakers prematurely and to assure that we do not unreasonably increase the cost of electric service to our municipal ratepayers, DEMEC chose to invest a significant portion of its RPS-dedicated funds in large-scale solar facilities. To prevent a negative impact on the Delaware economy from the cost of RPS compliance, DEMEC has committed capital to developing utility scale solar systems that create jobs and economic development for the State. The current DEMEC portfolio of Tier 4 Utility Scale Systems is:
 - Dover Sun Park – 10 MW – (DEMEC purchases 15 % of all SRECs) went commercial 2Q/2010 and produces enough to power over 1,100 Delaware homes.
 - Milford Solar Farm – 15 MW – (DEMEC purchases a majority of SRECs and all energy) went commercial 4Q/2012 and produces enough to power more than 1,300 homes.

DEMEC Comparable Plan Objectives

DEMEC has set the following objectives as goals for its Municipal RPS Plan.

- Develop and implement a compliance plan that is comparable to the State-mandated plan for Delmarva Power and that encourages development of qualifying renewable energy resources in the State of Delaware in all State-defined tiers.
- Plan in 5 year increments. The parameters of the 5 year planning cycle will have the goals of achieving a comparable plan that: 1) Achieves the lowest cost compliance solutions to mitigate high renewable energy cost impacts for our community ratepayers and the State economy, 2) Encourages the development of renewable resources in our member communities 3) Maintains the high reliability of electric service in our community systems.
- DEMEC will review and rebalance its compliance schedule annually to assure cost impacts to our community ratepayers are reasonable and accurately match qualifying retail electricity sales with renewable energy resource procurement.

State RPS Compliance Schedule

Municipal Renewable Energy 5-Year Procurement Schedule		
Compliance Year - (beginning June 1 st)	Minimum Cumulative Percentage from Eligible Energy Resources*	Minimum Cumulative Percentage from Solar Photovoltaics
2013	10.00%	0.60%
2014	11.50%	0.80%
2015	13.00%	1.00%
2016	14.50%	1.25%
2017	16.00%	1.50%
* Minimum Percentage from Eligible Energy Resources Includes the Minimum Percentage from Solar Photovoltaics.		

MRPS 2015/2016 Compliance

For compliance year 2015/2016 DEMEC set a 14.50% overall compliance goal which was achieved in **this** year’s MRPS implementation. The 14.50% compliance goal matches Delmarva Power & Light’s compliance target for 2016/2017.

The MRPS was rebalanced to value the renewable energy portion of DEMEC’s renewable energy assets. DEMEC also applied excess retirement credits from 2015/2016 to the 2016/2017 obligations. Annual adjustments will occur as necessary.

- The renewable energy sources used for REC compliance are the 69 MW Laurel Hill Wind Farm in Lycoming, Pennsylvania and 2.0 MW UD Wind Turbine in Lewes, Delaware.
- The solar renewable energy sources used for SREC compliance are the 10 MW Dover Sun Park and 15 MW Milford Solar Facility.

Municipal Renewable Energy 2016/2017 Compliance Year REC and SREC Retirements		
Municipality	Minimum Cumulative Percentage from Eligible Energy Resources 14.50%* Associated REC Quantity Retired	Minimum Cumulative Percentage from Solar Photovoltaics 1.25% Associated SREC Quantity Retired
New Castle	8,885	766
Newark	30,389	2,620
Middletown	18,778	1,619
Smyrna	10,929	943
Clayton	2,504	216
*Dover	64,795	3,040
Milford	16,630	1,434
Seaford	12,238	1,055
Lewes	8,302	716
Total	173,450	12,409
* Minimum Percentage from Eligible Energy Resources Includes the Minimum Percentage from Solar Photovoltaics.		

*The City of Dover reached the solar 1% compliance cost limit also known as the “circuit breaker” and may elect to stop increasing its solar portfolio percentage per 26 Del. C. § 363(g). The following sections of 26 Del. C. § 363(e) through (i) detail the circuit breaker provisions:

- (e) The total cost of compliance with this section shall include the costs associated with any ratepayer funded renewable energy rebate programs, REC and SREC purchases, or other costs incurred in meeting renewable energy programs.

- (f) The total cost of complying with eligible energy resources shall not exceed 3% of the total cost of the purchased power of the utility for any calendar year.
- (g) The total cost of complying with the solar photovoltaic program shall not exceed 1% of the total cost of the purchased power of the affected utility for any calendar year.
- (h) At no time during any calendar year shall the total cost of compliance with this section result in an increase of an average consumer's monthly bill in excess of 4%.
- (i) The Board of Directors of a rural electric cooperative and the local regulatory authority of a municipal electric company may approve an increase in the limit on the cost of compliance, as specified in subsections (f) and (g) of this section above.

Proposed 2017/2018 MRPS Plan

Per 26 Del. C. § 363(c), DEMEC member community local regulatory authorities shall continue to base renewable energy portfolio standard decisions on the need, value and feasibility of the renewable energy resources pertaining to the economic and environmental wellbeing of its members.

DEMEC continually evaluates the impact of the MRPS costs on its communities. Specifically DEMEC reviews the impact on rates and REC and SREC inventory as we proceed forward in the spirit of the RPS legislation. After review of these and other factors, DEMEC and its Board of Directors plan to continue forward with its original renewable energy compliance target for the 2017/2018 year.