

Draft Meeting Notes
SCR 28 RGGI Workgroup Meeting
October 25, 2007

<http://www.awm.delaware.gov/Info/Regs/SCR.htm>
<http://www.seu-de.org/documents.html>

Attendees: David Bacher, David Bloom, Dr. John Byrne, Philip Cherry, Senator. Charles Copeland, Nick DiPasquale, Tony DePrima, Michael Fiorentino, Rep. Gerald Hocker, Matt Hodges, Cathe Kalise, Patrick McCullar, Senator Harris McDowell, Verne Shortell, David Small, Chad Tolman, Stuart Widom,
Others Present: Val Csizmadia, Matt Hodges, Roger Jones, Ali Mirzakhali, Rishad Patel

David Small welcomed the group and thanked all for attending. With such complex information, we will try to get the information out and posted. Our goal is to answer two fundamental questions:

1. What percentage of allocation that comes to DE should be auctioned.
2. What should we do with the revenue?

Phil Cherry is working to invite ICF and PJM to a future meeting. They were unable to attend today.

Phil displayed and reviewed the Senate Concurrent Resolution 28 Workgroup web site, (<http://www.awm.delaware.gov/Info/Regs/SCR.htm>). The web site provides background materials, a calendar of events and posted documents.

At the last meeting we discussed the need to understand what other states are doing with their allowances and what are they doing with the money.

Phil handed out a one page summary chart. Most states have proposals or have adopted 100% at this point. This handout will be accessible on the web site.

Phil then provided a Power Point review of the RGGI State Auction Percentages and Disposition of Revenue for each member state. The Power Point will be posted to the website.

During the presentation, several issues were considered:

- Cap on administrative percentage?
- Maryland – Clarification needed on what studies Maryland has undertaken to assess the impact of a 100% auction.
- New Hampshire – What’s so special about PSNH?
- Effects on generator assets – especially with 100% auction?
- Modeling and leakage estimates are based on 25% auction model runs. What does auctioning 100% do to these estimates?
- The differences between New England, New York and PJM ISO’s, and the generators within those ISOs were discussed.
- Impact on rate payers, cost will go up....but costs are rising anyway.
- Need to do an analysis to address impacts in Delaware. Timing and funding may be problems.
- The Group needs to develop consensus legislation, preferably by 12/31/07– but some delay and minority reports should be considered if consensus is not achieved.

Senator McDowell and Dr. Byrne then presented an Overview of the Sustainable Energy Unit (SEU).

Slides are on the SEU website now; a link will be added from our web site.

Website: <http://www.seu-de.org>

Recap next meeting agenda:

- 1) A majority of members expressed support for further exploring analytical tools we can use to assess the impacts of a 100% auction.
We agreed to review the RGGI leakage report and look at other states to see what a scope of an analytical review might entail.
- 2) Have representatives from ICF and PJM come to talk about the RGGI model, and clarify the Delmarva/Delaware problem and to address auction impacts on leakage.
- 3) Meeting within next three weeks.

Monday, November 19th at 1:30 in the afternoon, was decided as the best time and date.

The floor was opened to others present.

Meeting adjourned.