

**From:** Alan Muller [mailto:amuller@dca.net]

**Sent:** Tuesday, March 25, 2008 1:29 PM

**To:** nicholasdi@comcast.net; Michael D. Fiorentino; Cherry Philip J. (DNREC)

**Cc:** Bunting George (LegHall); Burcat Bruce H (DOS); Cathe Kalisz; Chad Tolman; Copeland Charles (LegHall); David Bacher; Debbie Evans-Jackson; Finnigan Sean (LegHall); Gary Helm; Hocker Gerald (LegHall); Hughes John A. (DNREC); John Byrne; McDowell Harris (LegHall); Mirzakhaili Ali (DNREC); Padmore Arthur (DOS); Patrick McCullar; Small David (DNREC); Stu Widom; Thornburg Pam (LegHall); Tony DiPrima; Verne Shortell; Grow Bill; Bloom David (DOS); Csizmadia Valerie (DOJ); Esposito Pati; Hodges Matt; Jones Roger; Morozowich Deanna; Murphy Justin Michael (DOS); Patel Rishad Y; Slater Drew (LegHall); Ward Vicki E. (DNREC); Kowalko John (LegHall); Buttner Sarah (DOS)

**Subject:** RGGI group "Env members recommendation" and "draft report"

At 07:12 PM 3/24/2008 +0000, nicholasdi@comcast.net wrote:

Alan, the reserve account (25%) is designed to provide rate relief for low income households if that becomes necessary. The 75% share is designed to support the Affordable Utilities program designed to be an aggressive program to assist low income households to reduce consumption through weatherizing their homes, installing insulation, thermal windows, purchasing more energy-efficient furnaces and A/C, etc.

I think a basic point is perhaps being missed here. This is a "greenhouse gas" initiative, so the funds should be invested in ways that yield a maximum reduction in climate-changing emissions.

That said, lower-income residents--both homeowners and renters--are an appropriate priority for funding energy efficiency upgrades for reasons of both social justice and being "low-hanging fruit." However the proposal seems to be limited to homeowners, and thus would likely not benefit the most needy residents.

The "reserve account" proposal seems to invite allegations of rate impacts.

We strongly agree that low-income Delaware residents should receive "rate relief." But is this the way to do it? One detail problem is that those most in need of help likely are not homeowners and would not be able to benefit from an "Affordable Utilities Program" as described. Or are renters now proposed to be included?

We are strongly opposed to anything less than 100 percent auction of allowances. It is very disappointing to see representatives of Delaware Audubon, Delaware Sierra, and the Mid-Atlantic Environmental Law Center proposing something less. (Noting that the legislator members of the group all, as I recall, said they support an even bigger giveaway.)

Green Delaware issued an alert ([http://greendel.org/item.xhtml?name=alert\\_0585](http://greendel.org/item.xhtml?name=alert_0585)) entitled "*DNREC Secretary John Hughes proposes 108 million dollar giveaway to NRG, Conectiv, Valero ....*" The feedback we received indicated that concerned members of the public are also opposed to an allowance giveaway.

Table 4 of the draft report indicates that 8 RGGI states are planning a 100% percent auction and CT is 94%. Why, then, should Delaware do less?

We attended the last meeting and noticed the efforts to prevent the public from speaking, the absence of agendas and other materials readily available to the public, the general sense that the meeting was to "do a deal" rather than seek a public-interest solution. No member of the committee (with the exception of a gentle comment from Mr. Toleman) supported our objections to Mr. Small's refusal to allow the public to participate. Mr. DiPrima (City of Dover) spoke in favor of silencing the public. All around disgraceful.

Of the three "options" called out in the Draft Report, #3 seems closest to being acceptable. But there are concerns:

- o *"Administration expenses off the top (10% cap)"* What makes 10% the right number? It seems high and invites empire-building.
- o The three options for an "advisory group" would all leave the public effectively unrepresented. (As it is in the present group).

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