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Sent: Monday, March 24, 2008 3:24 PM

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Cc: Bloom David (DOS); Csizmadia Valerie (DOJ); 'Esposito Pati'; Finnigan Sean (LegHall); 'Hodges Matt'; 'Jones Roger'; Morozowich Deanna; Murphy Justin Michael (DOS); 'Patel Rishad Y'; Slater Drew (LegHall); Ward Vicki E. (DNREC); Kowalko John (LegHall); 'Alan Muller'; Buttner Sarah (DOS)

Subject: New Hampshire on RGGI

Greetings –

Please find attached a copy of a Bill recently passed by the New Hampshire House of Representatives concerning RGGI. The bill still needs to be passed by the NH Senate, but I thought I'd share this draft with you anyhow. There is, in my opinion, a considerable amount of detail included in the NH bill that is better left to regulation, and there are also some aspects of the bill unique to NH that would not be needed in a Delaware bill, but it is still instructive to see what other states are doing. The entire bill is attached, however, I have cut and pasted two sections from the bill into this email that address the two questions we've been struggling with here in DE. I also freely admit to taking these two sections out of context, so treat them accordingly!

Please also recall that we had asked for any comments on the proposed draft workgroup report I sent out last week by today. We have received a submittal from Michael F. on behalf of some members, however, we've not heard much else. Any comments you'd care to submit would (still) be most welcome.

Excerpts from the New Hampshire bill:

125-O:21 Carbon Dioxide Emissions Budget Trading Program

III The department shall make available for sale at one or more auctions all of the budget allowances for a given year, except for those granted or reserved under RSA 125-O:22, VI, 125-O:24, and 125-O:25. The department may also make available for sale at one or more auctions a portion of future year budget allowances. Such auctions may be conducted in coordination with other states. Revenues from the sale of allowances shall be deposited in the greenhouse gas emissions reduction fund established under RSA 125-O:23.

125-O:23 Greenhouse Gas Emissions Reduction Fund.

I. There is hereby established a greenhouse gas emissions reduction fund. This nonlapsing, special fund shall be continually appropriated to the public utilities

commission to be expended in accordance with this section. The state treasurer shall invest the moneys deposited therein, as provided by law. Income received on investments made by the state treasurer shall also be credited to the fund. All programs supported by these funds shall be subject to audit by the public utilities commission as deemed necessary. A portion of the fund moneys shall be used to pay for commission and department costs to administer this subdivision, including contributions for the state's share of the costs of the RGGI regional organization. Any new employee positions to be paid for using fund moneys shall be approved by the fiscal committee of the general court. The public utilities commission shall transfer from the fund to the department such costs as may be budgeted and expended, or otherwise approved by the fiscal committee and the governor and council, for the department's cost of administering this subdivision.

II. Fund moneys shall be used to support energy efficiency, conservation, and demand response programs to reduce greenhouse gas emissions generated within the state, which may include programs proposed and administered by private entities, as well as by the department, the commission, and other state and local governmental agencies.

III. At least 5 percent of the moneys shall be used to assist low-income residential customers, as defined by the commission and in a manner compatible with other low-income programs administered by the commission, to reduce total energy use including heating fuels.