



**FPL Energy**

**MEMO**

To Valerie Gray, Planning Supervisor  
DAWM, State of Delaware  
From David B. Applebaum, Director, Regulatory Affairs  
FPL Energy, LLC  
Date July 15, 2008  
Subject Voluntary Renewable Energy Set-Aside

Valerie:

FPL Energy, LLC (FPLE) would like to add its support to the comments recently submitted by The Nature Conservancy to the RGGI Workgroup in promoting the inclusion of a Voluntary Renewable Energy Set-Aside (VRE) within Delaware's Regional Greenhouse Gas Initiative regulation. As you know, a VRE Set-Aside is an option contemplated by the RGGI Model Rule. As noted by TNC's Sarah Murdock in her June 11<sup>th</sup> e-mail, nearly all of the participating RGGI states have incorporated a VRE set-aside within their RGGI legislation or regulations, typically in the range of one percent of their total allowances. From FPLE's perspective, a one percent set-aside for this particular purpose is a start, but a very modest start. We would strongly encourage Delaware, should it incorporate a VRE set-aside, to avoid incorporating a cap, keeping in mind that renewable energy incorporated under a VRE set-aside cannot be included in, or credited against, any other renewable incentive program (e.g. RPS). As non-emitting sources, renewable energy resources represent among the only readily available electric generating technologies capable of supplanting CO<sub>2</sub>-emitting generation. The growth of renewable energy, then, should be readily encouraged whenever possible. Assuming that the renewable attributes from renewable resources are generated from within the RGGI region or a state with a cooperative agreement, and those attributes are from verified reputable sources, then those attributes should be convertible under a designated formula to carbon allowances and eligible for retirement under the state's cap.

We'd be pleased to discuss this further with you and the Workgroup, and appreciate your collective consideration.