

**RGGI Task Force Meeting**  
**October 2, 2007**  
**Draft Minutes**

**Attendees:** David Small, Philip Cherry, Verne Shortell, David Bacher, Drew Slater, Representative Pam Thornburg, Justin Murphy, Bruce Burcat, David Bloom, Dr. John Byrne, Tony DiPrima, Patrick McCullar, Cathe Kalisz, Stuart Widom, Gary Helm, Senator Harris McDowell, Michael Fiorentino, Chad Tolman, Nick DiPasquale, Ali Mirzakhali

**Others Present:** Val Csizmadia

Opening statements by Secretary Hughes – welcoming the group and reviewing the resolution.

Discussion on chairmanship – It was motioned by Nick DiPasquale that perhaps instead of a Chair, we could use a “facilitator”. Sen. McDowell expressed support for the idea and suggested Dave Small - Sec. Hughes agreed

Dave Small took over and suggested that the group is charged with answering two questions – what the level of auction should be and where to direct the revenue. He then turned it over to Phil Cherry for a presentation

Phil Cherry then recognized the membership in the group of the PSC (Burcat) and DNREC/AQM (Mirzakhali) and proceeded to run through the power point presentation on RGGI Basics. The ppt presentation is available on line at <http://www.awm.delaware.gov/Info/Regs/SCR.htm>

Phil then introduced Ali Mirzakhali who ran through a separate presentation on the basics of cap and trade regulatory programs

There were a number of clarifying questions asked during the presentations that were answered by Phil, Ali and several workgroup members who were more familiar with RGGI.

**In addition to clarifying questions, there were other related discussions raising other issues. They included:**

When the auction structure was to be in place and whether it might be advantageous or disadvantageous to us to come in late.

What result will leakage have on the impacts of the program in Delaware?

Sen. McDowell made the point that RGGI modeling data is based on a Delmarva zone – not Delaware and that to assess RGGI, we need to know the impacts of RGGI on Delaware

What is the impact on the customer/ratepayer/taxpayer?

Is the SEU the place to dedicate the revenue?

What do we do with new sources?

The discussion then turned to next steps, with the following:

Sen. McDowell and Dr. Byrne to make a presentation at the next meeting on the SEU and how it works.

Phil offered to bring in speakers from Resources for the Future, the Maine legislature and the Regulatory assistance project to address the economic and energy regulatory aspects of the effort.

It was also suggested that perhaps we could invite PJM to a future meeting to help us explain the impact RGGI might have on Delaware. PSC agreed to pursue that.

The group also would like to have a chart of what other states have done with RGGI – and in particular the auction percentages and revenue fate in each of the states. DNREC agreed to provide that.

There was a request that all documents be posted on the web and to include not only presentations and documents provided to the group but any other information on the topic as well.

There was discussion that the SEU seemed to be the logical place to direct revenue, however the SEU is fully funded and any extra revenue will simply allow more energy efficiency to be done.

DNREC made the point during the discussion that some of the revenue realized from an auction would be needed to run the program. NRG requested that those administrative costs be identified and a budget be prepared and shared with the group. DNREC agreed to develop such a budget and present it to the group.

Dave Small then outlined an agenda for the next meeting to include:

1. A Presentation by Senator McDowell and/or John Byrne on the SEU
2. A discussion on what the impacts might be to Delaware – perhaps bring in PJM to help explain some of the data.
3. Review of the chart to be prepared by DNREC that shows what other states are doing

There was also discussion on future schedule. It was agreed to try and meet in about three weeks and DNREC would coordinate with Senator McDowell on what day in late October might be suitable for all concerned.–

Having no other business, the meeting was adjourned.