



STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL
89 KINGS HIGHWAY
DOVER, DELAWARE 19901

Office of the
Secretary

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MEMORANDUM TO: Office of the Governor
Members of the Senate Natural Resources and Environmental
Control Committee
Members of the House Environment and Natural Resources
Committee

FROM : David S. Small, Secretary *DS*

SUBJECT : ***START ACTION NOTICE***

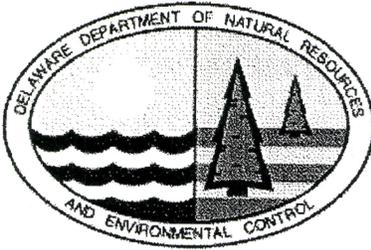
DATE : October 23, 2014

Enclosed for your information is **APPROVED** Start Action Notice:

2014-08 to develop Regulations Governing the Expansion of Cost-Effective Energy Efficiency Programs.

Division Directors
Public Affairs
Those on Start Action Approval List
Responsible Staff Member

Delaware's Good Nature depends on you!



APPROVED BY

Paul J. Markell

DATE

10/31/14

Start Action Notice

2014-08

1. Type of Action

In accordance with 29 *Del. C.* § 8059, the Delaware Department of Natural Resources and Environmental Control (DNREC) is charged with developing new regulations governing the expansion of cost-effective energy efficiency programs.

2. Purpose of Action

Senate Bill 150 with House Amendment 2 passed on July 1, 2014 and was signed by Governor Markell on August 6, 2014. This legislation enables Delaware electric and gas utilities to provide cost-effective energy efficiency programs to their customers and helps Delaware meet the requirements of the Energy Efficiency Resource Standard. This legislation requires DNREC to develop regulations to govern the expansion of cost-effective energy efficiency programs in Delaware pursuant to 29 *Del. C.* § 8059(h)(3). The proposed regulations shall set the requirements and standards for evaluation, measurement, and verification of energy efficiency programs and savings; affected energy provider reporting requirements; and procedures and standards for defining electricity and natural gas savings.

3. Statutory Basis

Delaware Energy Act 29 *Del. C.* § 8059 (h)

(h) *Expansion of cost-effective energy efficiency programs*

(3) *Evaluation, measurement, and verification of energy efficiency.*

a. Not later than June 30, 2015, the Secretary of the Department of Natural Resources and Environmental Control, with the cooperation of affected energy providers, shall, by regulation, establish the requirements of this subsection, including, but not limited to:

1. Evaluation, measurement and verification procedures and standards, including impact evaluation, environmental outcomes, process evaluation, market effects, and cost-effectiveness evaluation;

2. Requirements under which affected energy providers shall demonstrate, document, and report compliance with the energy savings targets established under § 1502(a) of Title 26; and

3. Procedures and standards for defining and measuring electricity savings and natural gas savings that can be counted towards the energy savings targets established under § 1502(a) and (b) of Title 26.

4. Likely Affected Public

Delaware affected energy providers as defined in 29 *Del. C.* § 8059 and Delaware ratepayers.

5. Proposed Schedule of Activities

Start Action Notice Filing: October 2014
Complete Draft Proposal: January 2015
Public Workshops: February 2015
Publication in the Register: March 2015
Public Hearing: March 2015

6. Review Committee

The review committee will likely include the members of the Energy Efficiency Advisory Council as defined by 29 *Del. C.* § 8059. Additional input will be solicited from participants and affected parties at the public workshops and public comment period.

7. Responsible Staff Members

Jessica C. Quinn, Planner III, Jessica.Quinn@state.de.us, (302) 735-3480
Robert Underwood, Energy Administrator, Robert.Underwood@state.de.us, (302) 735-3480

8. Approvals

Jessica C. Quinn 10/02/14
Responsible Staff Member Date

[Signature] 10/3/14
Division Director Date