



September 30, 2013

Via electronic mail

Babatunde Asere
Delaware Department of Natural Resources
& Environmental Control
712 Grantham Lane
New Castle, Delaware 19720

Re: Amendments to Delaware Regulation 1147, CO2 Budget Trading Program

Dear Mr. Asere:

On behalf of Northeast Energy Efficiency Partnerships (NEEP) I am pleased to submit comments on the Department of Natural Resources & Environmental Control (DNREC)'s amendments to the Delaware Regulation 1147, its CO2 Budget Trading Program.¹

NEEP is a regional non-profit whose mission is to serve the Northeast and Mid-Atlantic to accelerate energy efficiency in the building sector through public policy, program strategies and education. Our vision is that the region will fully embrace energy efficiency as a cornerstone of sustainable energy policy to help achieve a cleaner environment and a more reliable and affordable energy system.

We provide comment today in support of the proposed amendments to Delaware's CO2 Budget Trading Program, which will implement the Regional Greenhouse Gas Initiative (RGGI) Updated Model Rule.² The changes, the result of last year's comprehensive RGGI program review conducted by all participating states, will revise Delaware's 2014 CO2 base budget and provide for reductions to the budget of 2.5 percent each year through 2020.³ Collectively, the updated model rule will significantly lower carbon dioxide emissions in the Northeast and Mid-Atlantic region.

Evidence shows that the investment of RGGI proceeds in energy efficiency is truly a win-win, as it provides a significant economic benefit for Delaware residents and businesses. Research by the Analysis Group found that investments in energy efficiency through RGGI have had net

¹ These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners.

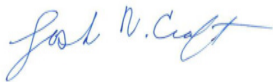
² Updated Model Rule for 2013, Regional Greenhouse Gas Initiative,
http://www.rggi.org/docs/ProgramReview/FinalProgramReviewMaterials/Model_Rule_FINAL.pdf

³ Proposed Amendments to Delaware's Department of Natural Resources and Environmental Control's CO2 Budget Trading Program, which are available online at
<http://www.dnrec.delaware.gov/dwhs/Info/Regs/Documents/Revised%201147%20CO2%20Budget%20Trading%20Program%2005-14-2013.pdf>.

positive economic impacts for ratepayers in the Northeast and Mid-Atlantic region.⁴ As a result of the changes proposed, Delaware can expect to see gains of \$385 million in net value to the state's economy as a result of the new investments in their energy efficiency programs.⁵

Thank you for the opportunity to comment in this important proceeding and for your work to implement the updated RGGI model rule. These amendments will help Delaware continue its growing leadership in clean energy and climate change policy while promoting energy efficiency and affordability. Should you have any questions regarding this or other matters on energy efficiency in the Northeast, please do not hesitate to reach out to me at jcraft@neep.org or (781) 860-9177 x109.

Sincerely,



Josh Craft
Manager of Public Policy Analysis
Northeast Energy Efficiency Partnerships (NEEP)

⁴ See Paul Hibbard, et. al, Analysis Group, "The Economic Impacts of the Regional Greenhouse Gas Initiative on Ten Northeast and Mid-Atlantic States," November 15, 2011, p.33, http://www.analysisgroup.com/uploadedFiles/Publishing/Articles/Economic_Impact_RGGI_Report.pdf.

⁵ Environment Northeast, RGGI Economic Benefits, June 2013, http://www.environmentne.org/public/resources/ENE_RGGI_Economic_Benefits_20130607.pdf.