

THE STATE OF NEW HAMPSHIRE

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August 28, 2008

Ms. Carol J. Holahan
Director
Office of Legislative Services
The State House, Room 109
107 North Main Street
Concord, New Hampshire 03301

Re: 2008 N.H. Laws Chapter 182
Implementation of Regional Greenhouse Gas Initiative
Rules to Administer Greenhouse Gas Reduction Fund

Dear Ms. Holahan:

The purpose of this letter is to request that you exercise your authority pursuant to RSA 541-A:40, IV to waive the deadline set forth in RSA 541-A:19, I(a) as it would apply to 2008 N.H. Laws Chapter 182, which implements the Regional Greenhouse Gas Initiative (RGGI) and took effect on June 11, 2008. Chapter 182 authorizes the Department of Environmental Services to administer a "cap and trade" program which includes an auction of CO2 allowances. The law further directs the Public Utilities Commission to adopt rules regarding the use of auction proceeds.

As you know, RSA 541-A:19, I(a) applies to circumstances in which an agency seeks to promulgate interim rules to conform to a new or amended statute, in which case the agency is required to publish notice of the proposed interim rule within 90 days of the effective date of the relevant statute. Pursuant to RSA 541-A:19, the Commission would have to file a proposed interim rule with the Joint Legislative Committee on Administrative Rules (JLCAR) on August 29, 2008 for publication in the September 5, 2008 Rulemaking Register. The Commission requests that you grant an extension and allow the rulemaking notice in this matter to be filed for consideration by the JLCAR at its November 20, 2008 meeting.

The requested waiver is consistent with the public interest for the following reasons:

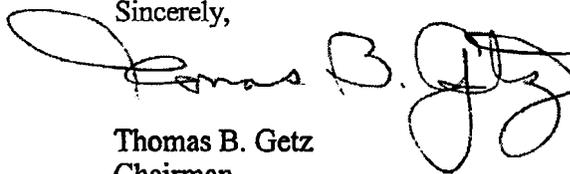
(1) The Department of Environmental Services (DES) intends to conduct the first RGGI auction on December 17, 2008 and it has recently notified the Commission that interim rules are being filed with your office to allow the December auction to proceed;

Ms. Carol J. Holahan
August 27, 2008
Page 2

- (2) DES expects the proceeds from the December 17, 2008 auction to be available within the week following the auction;
- (3) Chapter 182 provides that 10 percent of monies in the Greenhouse Gas Emission Reduction Fund shall be used to assist low-income residential customers;
- (4) The immediate use of the funds for low-income residential customers can help reduce the energy bills for these customers during the winter season;
- (5) The adoption of interim rules will allow the Commission to distribute funds for this purpose;
- (6) The drafting of the PUC's interim rules will be better informed if filed subsequent to the DES's rules;
- (7) Allowing additional time for filing of the PUC's interim rules will provide the opportunity to fully consider the impact of efforts being pursued by Governor Lynch and the Legislature to assist low income citizens who will be facing substantial financial challenges this winter; and
- (8) Extending the time for consideration by JLCAR until the November 20, 2008 meeting will make it possible for the Commission to consult with the Energy Efficiency and Sustainable Energy Board established pursuant to 2008 N.H. Laws, Chapter 292, which takes effect October 1, 2008. Among the Board's duties is the requirement to: "Provide recommendations at least annually to the public utilities commission on the administration and allocation of energy efficiency and renewable energy funds under the commission's jurisdiction."

Please let me know if you have any questions concerning our request.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas B. Getz". The signature is stylized with large loops and a prominent "G".

Thomas B. Getz
Chairman

cc. Scott F. Eaton