REF: GEC ED NEME EVIDENCE

Preamble: From our perspective, an overview of the evidence and interrogatories provided by the utilities seem to point to their preference to perform conservation in their DSM programs where they are incented and not as abatement under Carbon Cap & Trade Compliance where there is no financial reward.

- 1) From Mr. Neme's experience in other jurisdictions, are there jurisdictions that have a similar construct with the utility being financially incented in conservation, yet held to a compliance obligations that could benefit from conservation-based abatement initiatives without financial incentive?
 - a. If so, what lessons can be learned from those jurisdictions?
 - b. If not, what are your views on appropriate constructs that could provide a delineation of what could be incented under DSM and what is an obligation under compliance?