



STATE OF DELAWARE
**DEPARTMENT OF NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL**
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SECRETARY

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Secretary's Order No.: 2025-CCE-0032

**RE: Approving Final Regulations to Amend 7 DE Admin. Code 2105: *Regulations
Governing Evaluation, Measurement, and Verification Procedures and Standards***

**Date of Issuance: October 27, 2025
Effective Date of the Amendment: December 11, 2025**

Under the authority vested in the Secretary of the Department of Natural Resources and Environmental Control ("Department" or "DNREC"), pursuant to 7 *Del. C.* §§ 6006 and 6010, and all other relevant statutory authority, the following findings of fact based on the record, reasons and conclusions are entered as an Order of the Secretary in the above-referenced promulgation.

Background, Procedural History and Findings of Fact

This Order relates to the proposed amendments ("Amendments") to 7 DE Admin. Code 2105: *Regulations Governing Evaluation, Measurement, and Verification Procedures and Standards* ("Regulation"). The Department is proposing these amendments to better align the Regulation with current best practices of the practices, improve consistency, and ensure compliance with energy efficiency goals.

Under the authority of 26 *Del. C.* Ch. 15, the *Energy Efficiency Resource Standards Act of 2009*, the Department is responsible for overseeing Delaware's statewide energy efficiency efforts. This includes setting standards, guiding implementation, ensuring compliance, and tracking progress toward reducing energy use and environmental impacts. To carry out these responsibilities, the Department established 7 DE Admin. Code 2105, which provides a framework for evaluating and verifying the performance of energy efficiency and demand response programs. These rules help ensure that Delaware's energy efficiency efforts are cost-effective, transparent, and aligned with the state's energy and climate goals.

The Department currently relies on the *Mid-Atlantic Technical Resource Manual* (“Mid-Atlantic TRM”), developed through a regional partnership led by the Northeast Energy Efficiency Partnership (“NEEP”), for evaluation, measurement, and verification procedures and standards. However, since NEEP discontinued updates to the Mid-Atlantic TRM in 2020, it no longer reflects current regional best current practices or Delaware-specific conditions.

To ensure the State continues to use accurate and up-to-date standards, the Department proposes amendments to adopt the *Delaware Technical Reference Manual, Version 4.0* (“Delaware TRM”). This manual builds on the Mid-Atlantic TRM Version 9 and includes updates that better represent Delaware’s energy market, program goals, and stakeholder priorities.

The Delaware TRM provides consistent methods and assumptions for planning, implementing, and evaluating Delaware’s rate-funded energy efficiency programs. It ensures fair and accurate comparisons of program performance, improves cost-effectiveness reviews, and allows the use of Delaware-specific data.

In addition, the Delaware TRM supports the inclusion of energy efficiency resources in wholesale capacity and future carbon markets. It gives stakeholders a clear and consistent framework to define and compare efficiency measures, evaluate program results, and guide future planning and research. Each measure in the manual includes formulas or savings values that estimate annual energy and peak demand reductions based on regional data and technical analysis.

In addition, the proposed amendments include updates to the Total Resource Cost (TRC) test. The TRC test helps determine whether the benefits of energy efficiency programs outweigh their costs. The amendments add “non-energy impacts” to the list of factors that can be included in the TRC calculation, as approved by the Energy Efficiency Advisory Council. A non-energy impact represents quantifiable benefits, such as improved health, comfort, and economic benefits. This addition to the cost factors allows for a more complete and equitable assessment of program value, while also supporting Delaware’s broader policy goals to reduce greenhouse gas emissions and advancing energy equity, by recognizing the full range of benefits that energy efficiency programs can deliver.

Finally, the proposed amendments update several definitions, terms, and units of measurement to improve consistency and clarity throughout the Regulation.

The Department presented the proposed amendments to stakeholders during meetings of the Evaluation, Measurement, and Verification Committee on April 8, 2025, and the Energy Efficiency Advisory Council on April 9, 2025. Stakeholders expressed support for the proposed updates, recognizing their importance in maintaining accuracy, transparency, and usability in Delaware's energy efficiency programs.

The Department published its initial proposed amendments in the September 1, 2025, *Delaware Register of Regulations*, and a virtual public hearing regarding this matter that was held on September 22, 2025. Pursuant to 29 *Del. C.* § 10118(a), the Hearing Record ("Record") remained open for receipt of written comment for 15 days following the public hearing. The Record formally closed for comment in this matter on October 7, 2025, with no comments received by the Department throughout the regulatory development process. All procedural requirements under 29 *Del. C.* Ch. 101 were met.

Thereafter, Hearing Officer Theresa Smith prepared her report dated October 24, 2025 ("Report"), which expressly incorporated into the Record the proposed Amendments, attached thereto as Appendix "A". Mrs. Smith's Report set forth the procedural history, summarized and established the Record relied on in the Report and provided findings of fact, reasons, and conclusions that recommend the approval of the proposed amendments pending before the Department.

The Department has the statutory basis and legal authority to act with regard to the formal promulgation of these proposed amendments, pursuant to 26 *Del. C.* Ch. 15. All notification and noticing requirements concerning this matter were met by the Department and proper notice of the hearing was provided as required by law.

Reasons and Conclusions

Currently pending before the Department are the proposed regulatory amendments to 7 DE Admin. Code 2105: *Regulations Governing Evaluation, Measurement, and Verification Procedures and Standards*. Based on the record developed by the Department's staff in the Division of Coastal, Climate, and Energy, and established by the Hearing Officer's Report, I find that the proposed regulatory amendments are well-supported and will enable the Department to align with current best practices, improve consistency, and ensure compliance with energy efficiency goals. I also find that the proposed amendments comply with all applicable federal and state laws and regulations. Further, the proposed amendments as published in the September 1, 2025, *Delaware Register of Regulations*, are reflective of the Department's authority under 26 *Del.C.* Ch. 15, to ensure continued protection of public health and the environment.

The following reasons and conclusions are hereby entered:

1. The Department has the statutory basis and legal authority to adopt and enforce these proposed regulatory amendments pursuant to 26 *Del.C.* Ch. 15;
2. The Department has jurisdiction under its statutory authority, pursuant to 7 *Del. C.* Ch. 60, to issue an Order adopting these proposed amendments as final;
3. The Department provided adequate public notice of the proposed amendments and all proceedings in a manner required by the law and regulations, and provided the public with an adequate opportunity to comment on the proposed amendments, including at the time of the virtual public hearing held on September 22, 2025, and during the 15 days subsequent to the hearing (through October 7, 2025), before making any final decision;
4. Promulgation of the proposed amendments to 7 DE Admin. Code 2105: *Regulations Governing Evaluation, Measurement, and Verification Procedures and Standards* will enable the Department to align with current best practices, improve consistency, and ensure compliance with energy efficiency goals;
5. The Department has reviewed the proposed amendments in light of the *Regulatory Flexibility Act*, consistent with 29 *Del. C.* § 104, and has determined that the Regulation does not apply to small businesses or individuals;
6. The Department has reviewed the proposed regulatory promulgation in the light of 7 *Del. C.* § 10003 and 29 *Del. C.* § 10118(b)(3), and has determined that conducting such an assessment regarding the impact of this regulation on the achievement of the State of Delaware's greenhouse gas emissions reduction targets is not practical;
7. The Department's Hearing Officer's Report, including its established record and the recommended proposed amendments as set forth in Appendix "A," are hereby adopted to provide additional reasons and findings for this Order;

8. The Department's proposed regulatory amendments, as published in the September 1, 2025, *Delaware Register of Regulations*, is set forth in Appendix "A" hereto, and are adequately supported, are not arbitrary or capricious, and are consistent with the applicable laws and regulations. Consequently, they are approved as final regulatory amendments, which shall go into effect ten days after their publication in the next available issue of the *Delaware Register of Regulations*;
9. The Department has an adequate Record of its decision, and no further public hearing is appropriate or necessary;
10. The Department shall submit this Order approving the proposed amendments as final regulations to the *Delaware Register of Regulations* for publication in its next available issue, and provide such other notice as the law and regulation require, and the Department determines is appropriate; and
11. The Department shall serve and publish its Order on its internet site.



Gregory Patterson
Secretary