BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE LEGISLATIVE PETITION FOR REVIEW AND RECOMMENDATIONS ON DELMARVA POWER & LIGHT COMPANY UTILITY BILL TRANSPARENCY (FILED JUNE 20, 2013)	))))))	PSC DOCKET NO. 13-250

ORDER NO. 8556

AND NOW, this 29th day of April, 2014;

WHEREAS, on June 20, 2013, Representative John Kowalko and State Senators Dave Lawson and Gary Simpson, on behalf of nineteen other members of the Delaware General Assembly, filed a Petition (the "Petition") requesting the Delaware Public Service Commission (the "Commission") to open a docket to review the appropriate level of detail contained in monthly billing statements prepared by Delmarva Power & Light Company ("Delmarva" or the "Company") and sent to its customers; and

WHEREAS, the Petition alleged that customers of Delmarva do not know how much they are being charged each month for various legislatively-mandated initiatives such as the Renewable Energy Portfolio Standards, the Qualified Fuel Cell Provider ("QFCP") project, Low Income Assistance and others; and

WHEREAS, the Commission's general authority under Title 26 of the Delaware Code provides it the right and responsibility to investigate any issue involving the transparency of charges associated with compliance with legislative mandates included in utility customers' bills; and

WHEREAS, at its regularly scheduled Commission Meeting of July 2, 2013, the Commission opened this docket for the purposes of conducting a review to determine the appropriate level of detail regarding the charges associated with legislative mandates that should be included on Delmarva customers' electric bills; and

WHEREAS, the Commission also ordered appropriate public notice of the opening of this docket and allowed interested parties to intervene in order to commence a working group to report back to the Commission on its recommendations regarding utility bill transparency related to Delmarva and its customer billing system; and

WHEREAS, the working group met on October 22, 2013, November 19, 2013, and April 10, 2014 to discuss the issues relating to the appropriate level of detail that should be included on Delmarva's monthly billing statements; and

WHEREAS, after taking into consideration all of the requests made by the parties at the previously held workshops, Delmarva circulated a Proposal (the "Proposal"), which is attached to this order as Exhibit "A", purporting to implement the requested changes in two phases pending Commission approval; and

WHEREAS, Delmarva requests permission from the Commission to implement Phase I of its proposed changes to its customers' electric bills, effective July 1, 2014, that will remove from the Distribution Charge of a customer's bill, and list separately, three (3) additional line items: (1) the Low Income Charge (2) Green Energy Fund; and (3) Renewable Compliance Charges; and

WHEREAS, Phase II of this docket would require the parties to reconvene at a later date to determine which, if any, additional changes can be further broken out after Delmarva's conversion to its new SolutionOne billing system; and

WHEREAS, Delmarva also requests Commission approval of a regulatory asset to capture the costs, estimated at $23,630, arising out of this docket related to the reprogramming of its existing billing system to specifically identify these charges separately on its customer's bills; and

WHEREAS, the Commission's designated Acting Presiding Officer has provided the Commission with a Memorandum dated April 23, 2014 detailing the working group process, reviewing Delmarva's proposed billing changes and providing the Commission with his recommendations;

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

1. That the Commission approves Delmarva's request to implement the changes to its electric bills in two phases as proposed by the Company effective July 1, 2014.

2. That the Commission approves the creation of a regulatory asset, subject to audit, to recover the costs of reprogramming Delmarva's existing billing system, estimated to be $23,630, to remove from the distribution charge, and list separately as additional line items, the Low Income Charge, the Green Energy Charge and Renewable Compliance Charges.

3. That on or before July 8, 2014, Delmarva shall submit a compliance filing to the Commission with the revised tariff sheets reflecting the changes effective July 1, 2014.

4. That on or before December 1, 2014, Delmarva shall submit to the Commission written notification advising it of the status of the implementation of SolutionOne. This notification should include whether or not the Company reasonably believes that SolutionOne will be ready to "go-live" during the first quarter of 2015. If there is reason to believe that SolutionOne will not launch during the first quarter of 2015, then the Company shall provide an explanation for the delay as well as an updated timeframe for when the implementation might be completed.

5. That this docket shall be kept open, with the present service list, for the purposes of reconvening the parties at a later date to determine which, if any, additional changes can be further broken out and removed from the Distribution Charge from which they may be presently embedded.

6. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary and proper.

BY ORDER OF THE COMMISSION:

_____
Chair

_____
Commissioner

_____
Commissioner

_____
Commissioner

_____
Commissioner

ATTEST:

_____
Secretary

Exhibit "A"

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Proposal of Delmarva Power & Light Company

The parties to this docket have met several times, including workshops on October 22, 2013 and November 19, 2013. The parties are scheduled to meet again on April 10, 2014. Based upon the workshop discussions, it appears that all parties understand and agree as follows:

1. That it is important for customers to be able to better determine what portions of the charges they pay in their Delmarva bills go directly to providing utility services as opposed to the costs that Delmarva is required by law to collect from its customers and pass on to entities other than Delmarva.

2. That currently, there are certain charges that are calculated separately and then added to the Distribution Charge on the bill each month. These charges can be identified and separately listed on customer bills without a significant amount of programming and testing costs. Because these charges are not part of the current Commission-approved Distribution rate design, a Commission rate proceeding is not required to separate these charges from the Distribution Charge.

3. That other legally required charges are embedded in the current Distribution rate design approved by the Commission and as such, identifying the portion(s) of the Distribution Charge attributable to those embedded charges and separating them into individual rates/charges would require an official Commission proceeding, followed by lengthy and costly system programming, testing and other costs.

4. That presently, Delmarva is in the process of converting its current customer information and billing system to a new system known as "SolutionOne." The SolutionOne system is presently scheduled to replace the current system in approximately the First Quarter 2015. For reasons related to programming, testing, regulatory costs and timing, it would be costly and inefficient to incur all of the costs involved in obtaining regulatory approval necessary to identify costs described in Paragraph 3 above, and then programming the current customer information system, when the new SolutionOne system is presently being programmed and is scheduled to go live in 2015.

5. That it would be of benefit to customers to take action now to, as soon as reasonably practicable, to seek Commission approval to make changes to the current customer information and billing system that would enable Delmarva to efficiently identify on its bills the charges described generally in Paragraph 2, above. Once the new SolutionOne system is fully operational, further work necessary to determine other charges that should be separately identified on customer bills will be undertaken by the parties.

Accordingly, based upon the facts developed at the workshops as set forth above, Delmarva proposes that the parties agree to the following, as broken out into two phases:

PHASE - I
Changes to the Delmarva Power Electric Bill Effective July 1, 2014

Delmarva will identify and separately designate on its bills the charges contained in the category of charges described generally in Paragraph 2, above. The changes between current and proposed bills would be as follows:

Current Charges as shown on the bill:

Customer Charge	$ 9.59
Distribution Charge: First 500 kWh X $0.036454 Each kWh	$18.24
Last 812 kWh X $0.036454 Each kWh	$29.60
Total Electric Delivery Charges	$57.43

Proposed Charges to be shown on the bill:
(changes from current billing format are identified in highlighted text)

Customer Charge	$ 9.59
Distribution Charge: First 500 kWh X $0.029975 Each kWh	$14.99
Last 812 kWh X $0.029975 Each kWh	$24.35
Low Income Charge: All kWh X $0.000095 Each kWh	$ 0.12
Green Energy Fund: All kWh X $0.000356 Each kWh	$ 0.47
Renewable Compliance Charges: All kWh X $0.006028	$ 7.91
Total Electric Delivery Charges	$57.43

Delmarva estimates that the cost of programing, testing and other expenses necessary to achieve Phase I is approximately 220 hours of programming at $23,630. The date of July 1, 2014 implementation is dependent upon: (1) achieving consensus of the parties and (2) Commission approval by April 29, 2014. "Consensus" must include DNREC, due to the currently ongoing DNREC rulemaking proceeding for the purpose of determining the cost of the Renewable Portfolio Standard compliance (pursuant to 26 *Del.C.* § 354 (i) & (j)). Commission authority must include the approval of a regulatory asset to capture the costs of and on the programming, customer education and other costs arising out of this docket.

PHASE - II
Changes to the Delmarva Power Electric Bill Under SolutionOne

Coincident with a base rate case, or other appropriate Commission proceeding, the parties shall reconvene to determine which, if any, additional charges currently imbedded within the "Distribution Charge" as listed on the current bill will be removed from the Distribution Charge and separately listed on customer bills. The implementation of the proposed Phase II changes will occur after the conversion to the Company's SolutionOne billing system has been successfully completed.