

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE COMMISSION'S)
REVIEW OF DEMARVA POWER'S RETAIL)
ELECTRICITY PRICING AND POTENTIAL) DOCKET NO. 14-0283
LONG-TERM APPROACHES TO SECURE)
LOWER PRICED ENERGY)
(OPENED AUGUST 19, 2014))

ORDER NO. 8619

AND NOW, to-wit, this 19th day of August, A.D. 2014:

WHEREAS, efforts to secure lower energy costs for Delmarva Power & Light Company ("Delmarva" or the "Company") customers over the past 14 years have resulted in overall electricity rates higher than the national average;

WHEREAS, there may be many reasons for the energy cost outcome that Delmarva customers have experienced, including external market based supply costs regulated at the Federal level;

WHEREAS, a timely review of the longer-term options to secure energy supply for Delmarva customers does not preclude the current approach but offers opportunity to examine other options which could yield customer savings;

WHEREAS, Staff has been engaged in internal discussions on various alternative approaches to reducing supply and desires an opportunity to engage an expert consultant to assist with the review;

WHEREAS, the General Assembly is continuing to look for mechanisms that could reduce supply costs for Delmarva's residential customers;

WHEREAS, in its Motion, Staff has expressed concern that Delmarva's electricity costs have continued to escalate at a rate beyond the comparable national average;

WHEREAS, at its regularly-scheduled meeting on August 19, 2014, the Commission heard argument on the Motion from Staff, the Public Advocate and Delmarva; and

WHEREAS, the Commission, having deliberated in public, has determined that it would be in the best interest of Delmarva's customers to review potential long-term approaches for the Company to secure electric supply;

WHEREAS, the Commission has determined that it has the authority to open a docket to review Delmarva's approach to securing its Standard Offer Service, pursuant to its general regulatory jurisdiction of all public utilities, 26 *Del. C.* §§201 *et. seq.*; and

WHEREAS, the Commission has determined that the proposed Order submitted by Staff is appropriate for opening a docket to review Delmarva's long-term approach to providing Standard Offer Service;

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

1. That a docket shall be opened for the purpose of reviewing Delmarva's current Standard Offer Service approach and

whether such an approach will lead to lower energy supply costs over the long-term for a period of 20 to 25 years.

2. That the docket shall also consider other options for Delmarva to secure Standard Offer Service that could lead to lower ratepayer costs over the longer term.

3. That the docket will provide the opportunity to review current statutory requirements and to recommend changes that may be necessary to pursue more cost effective structures;

4. That the Company is required to participate in the review process and to publicize the process in all three (3) Delaware counties. The public notice shall be reviewed and approved by the Case Manager prior to publication, which must be published before September 15, 2014.

5. That Ron Teixeira, Staff Analyst, is assigned as Case Manager with the authority to rule on interventions and conduct discussions with all parties.

6. That Delmarva is hereby notified that it will be responsible for all costs associated with the Staff review.

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

BY ORDER OF THE COMMISSION

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary