

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
THE DELAWARE ELECTRIC COOPERATIVE,)
INC., FOR APPROVAL OF CHANGES IN) PSC DOCKET NO. 04-202
DEPRECIATION RATES FOR ELECTRIC)
PLANT PURSUANT TO 26 DEL. C. §313)
(FILED MAY 28, 2004))

IN THE MATTER OF THE APPLICATION OF)
THE DELAWARE ELECTRIC COOPERATIVE,)
INC., TO RESET ITS POST-TRANSITION)
REGULATED RATES UNDER 26 DEL. C.) PSC DOCKET NO. 04-288
§ 1006(b)(2)(d) AND TO REVISE ITS)
POST-TRANSITION STANDARD OFFER)
SERVICE PRICE UNDER 26 DEL. C.)
§ 1006(b)(2)(c) (FILED JULY 10, 2004))

ORDER NO. 6477

AND NOW, this 14th day of September, A.D. 2004;

WHEREAS, the Commission on June 22, 2004 entered PSC Order No. 6438 allowing the Delaware Electric Cooperative, Inc. ("DEC" or the "Cooperative") to adjust its depreciation rates on a temporary basis, which resulted in a lowering of those rates in the amount of \$1,263,000;

WHEREAS, Staff had a short time to review the new depreciation rates and supporting study but concluded that, based on its limited review, the Cooperative's depreciation rates needed to be adjusted and that they may, after additional analysis, require further adjustment, and, accordingly, Staff did not oppose the implementation of the new rates;

WHEREAS, the Commission has recently entered PSC Order No. 6469, dated August 31, 2004, which opened a docket to consider the

Cooperative's July 31, 2004 filing made pursuant to § 1006(b)(2)(d) of the Electric Utility Restructuring Act with the purpose of resetting its rates effective on or before April 1, 2005.

WHEREAS, Staff believes that it is efficient to consolidate the two dockets and consider the appropriate level of depreciation in connection with the resetting of the Cooperative's base rates in accordance with the Electric Utility Restructuring Act.

Now, therefore, **IT IS ORDERED**:

1. That PSC Docket No. 04-202 initially set up for the purpose of analyzing the proposed changes in the Delaware Electric Cooperative, Inc.'s depreciation rates shall now be merged into PSC Docket No. 04-288, which has been initiated to review the Delaware Electric Cooperative, Inc.'s filing pursuant to § 1006(b)(2)(d) of the Electric Utility Restructuring Act.

2. That all other provisions of PSC Order No. 6469 shall remain in effect.

3. 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:

/s/ Arnetta McRae
Chair

/s/ Joshua M. Twilley
Vice Chair

/s/ Joann T. Conaway
Commissioner

PSC Dockets Nos. 04-202 and 04-288,
Order No. 6477 Cont'd.

/s/ Jaymes B. Lester
Commissioner

Commissioner

ATTEST:

/s/ Connie S. McDowell
Acting Secretary