

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

IN THE MATTER OF THE APPLICATION OF)
THE DELAWARE ELECTRIC COOPERATIVE,)
INC., TO REVISE THE POWER COST)
ADJUSTMENT FACTOR TARIFF AND TO) PSC DOCKET NO. 05-274T
CHANGE CERTAIN TERMS IN ITS APPLICA-)
TION AND SECURING SERVICE SECTION)
(FILED JULY 28, 2005))

ORDER NO. 6753

AND NOW, to wit, this 25th day of October, A.D. 2005;

WHEREAS, on July 28, 2005, the Delaware Electric Cooperative, Inc. ("DEC"), filed an application asking the Commission to approve revisions to Section 16 "Power Cost Adjustment" and Section 5 "Application and Securing Electric Delivery and Supply Service" of its P.S.C. DEL. No. 7 Electric tariff; and

WHEREAS, these proposed tariff revisions relate to two sections of DEC's "Terms and Conditions of Service," which were filed in compliance with PSC Order No. 6596 (Mar. 22, 2005) in PSC Docket No. 04-288; and

WHEREAS, the proposed revisions to Section 16 would eliminate some of the detailed procedures and formulae that were part of DEC's prior Power Cost Adjustment ("PCA") regime (applicable during the period when electric supply rates remained fully regulated) and streamline other provisions resulting in a more concise explanation of the method by which the Power Cost Adjustment factor is to be calculated consistent with PSC Order No. 6643 (May 24, 2005) adopted in PSC Docket 05-146; and

WHEREAS, the proposed revisions to Section 5 would eliminate the necessity for a person or entity to execute an application for services prior to DEC providing its services and would also make other housekeeping text changes consistent with this elimination of an application for membership prior to the receipt of services; and

WHEREAS, DEC initially provided public notice of the filing and its proposed tariff revisions in *The News Journal* and the *Delaware State News* newspapers on September 15, 2005 and no person or entity sought to intervene in response to such notices; and

WHEREAS, the Staff has advised the Commission and the Hearing Examiner assigned to this docket (see PSC Order No. 6716 (Sept. 6, 2005)) that neither Staff nor the Division of the Public Advocate oppose the proposed revisions and that, in order to streamline the proceedings on this application, it would be appropriate for the Commission to consider the revisions at a hearing held directly before it rather than after proceedings before a Hearing Examiner as originally contemplated by Order No. 6716; and

WHEREAS, at Staff's direction, DEC published in *The News Journal* (October 6, 2005) and the *Delaware State News* (October 5, 2005) newspaper notices that the Commission would conduct a hearing on the proposed revisions on October 25, 2005; and

WHEREAS, during its regular meeting on October 25, 2005, the Commission conducted a public hearing concerning DEC's proposed tariff amendments, during which hearing DEC offered testimony supporting such revisions, and at which hearing no one appeared to testify against such amendments;

WHEREAS, both the Staff and the Division of the Public Advocate have reviewed such proposed amendments and have voiced no objection to the changes; and

WHEREAS, on the basis of this record, the Commission now finds and determines that the revisions proposed to Section 16 of its Terms and Conditions of Service ("Power Cost Adjustment") are consistent with Order No. 6643 adopted in PSC Docket 05-146; and that the amendments proposed to Section 5 ("Application and Securing Electric Delivery and Supply Service") are reasonable and appropriate.

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

1. That pursuant to 26 Del. C. §§ 301 and 305, the application by the Delaware Electric Cooperative, Inc., filed on July 28, 2005, seeking to make certain revisions to Section 16 "Power Cost Adjustment" and Section 5 "Application and Securing Electric Delivery and Supply Service" of its P.S.C. DEL. No. 7 Electric tariff is hereby approved. The proposed tariff revisions, as set forth in such application and considered at a hearing held October 25, 2005, are approved and shall become effective on the date of this Order.

2. That the Delaware Electric Cooperative, Inc., shall, within thirty (30) days from the date of this Order, file with the Commission a revised version of its "Terms and Conditions of Service" of its P.S.C. DEL. No. 7 tariff incorporating the amendments authorized by this Order.

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

Vice Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary