

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
DELMARVA POWER & LIGHT COMPANY FOR A)
CHANGE TO ITS TRANSMISSION SERVICE) PSC DOCKET NO. 08-125
CHARGE FOR ITS ELECTRIC SUPPLY AND)
TRANSMISSION CUSTOMERS)
(FILED MAY 20, 2008))

ORDER NO. 7403

This 17th day of June, 2008, the Commission finds, determines, and Orders the following:

1. On May 20, 2008, Delmarva Power & Light Company ("DP&L") filed an application to adjust its Transmission Service Charge for both its Standard Offer Service ("SOS") Fixed Price Service and SOS Hourly Priced Service from \$1.139 per kW-month to \$1.395 per kW-month. According to DP&L, these adjustments implement the formulation for establishing retail transmission rates set forth in paragraph F of the Settlement Agreement approved in Order No. 6746 (Oct. 11, 2005), in PSC Docket No. 04-391.¹ That settlement established a pass-through mechanism that permits DP&L to develop transmission rates that mirror the transmission rates that PJM Interconnection, L.L.C. charges DP&L under Federal Energy Regulatory Commission ("FERC") requirements. DP&L proposes that these changes become effective on July 1, 2008, and that, due to the timing of the availability of required data from

¹The Commission considered and approved transmission rates last year in Orders Nos. 7192 (Apr. 23, 2007) and 7237 (July 24, 2007), under Docket No. 04-391.

FERC, the Commission waive the 60-day notice requirement under 26 Del. C. § 304(a).

2. Staff recommends that the Commission allow the proposed rate and tariff changes to go into effect on July 1, 2008, on a temporary basis and subject to refund, pending further analysis by Staff. According to Staff, such a procedure would allow it to verify that the proposed changes are accurate and consistent with the dictates approved in the Commission's prior Orders and it would allow interested persons to comment upon, or object to, the proposed changes before the Commission makes a final determination. The Commission adopts Staff's proposed procedural recommendation.

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

1. That, pursuant to 26 Del. C. § 306(a)(1), the revised tariff sheets, including revised rates, filed by Delmarva Power & Light Company on May 20, 2008, that pertain to its transmission charges for its SOS Fixed Price and Hourly Priced Service offerings, are allowed to go into effect on a temporary basis on July 1, 2008. The temporary rates shall be subject to refund if the Commission shall finally determine that such rates are, in whole or in part, unjust or unreasonable. In accordance with 26 Del. C. § 304(a), and based on the timing of the availability of essential FERC data, the Commission finds "good cause" to waive the requirement that these proposed rate changes be submitted sixty days prior to the July 1, 2008 effective date.

2. That Delmarva Power & Light Company shall publish the form of notice attached hereto as Exhibit "A" in the following newspapers, on the designated dates, in two-column format outlined in black:

Tuesday, June 24, 2008 (The News Journal)

Wednesday, June 25, 2008 (Delaware State News)

Such notice provides that interested persons may file comments or objections to the proposed rate changes on or before July 16, 2008. If material comments or objections are filed, or if Staff recommends changes to such rates or tariff revisions, the Commission will, by further Order, determine the course of further proceedings. If material comments or objections are not filed, and Staff recommends final approval of the rates and tariff amendments, then the Commission may enter a final Order without additional proceedings.

3. That Delmarva Power & Light Company is hereby notified that it will be charged the costs of this proceeding under 26 Del. C. § 114(b).

4. 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/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

PSC Docket No. 08-125, Order No. 7403 Cont'd.

/s/ Dallas Winslow
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary

E X H I B I T "A"

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(FILED MAY 20, 2008))

**PUBLIC NOTICE OF CHANGES TO DELMARVA POWER & LIGHT COMPANY'S
ELECTRIC TRANSMISSION RATES FOR ITS SOS FIXED PRICE
SERVICE AND HOURLY PRICED SERVICE CUSTOMERS**

On May 20, 2008, Delmarva Power & Light Company ("DP&L") filed with the Public Service Commission ("PSC") an application to adjust its electric Transmission Service Charge for both its Standard Offer Service ("SOS") Fixed Price Service and Hourly Priced Service from \$1.139 per kW-month to \$1.395 per kW-month. For a typical residential customer with a peak load contribution of 4.38 kW, the effects of the proposed rate changes would be an increase in the monthly bill of \$1.12.

On June 17, 2008, in PSC Order No. 7403, the PSC allowed the proposed rate changes to go into effect on July 1, 2008 but subject to refund if the Commission should later finally determine the rates and charges are incorrect, or unjust or unreasonable. The PSC now solicits comments or objections to any, or all, of these rate and tariff changes. If you wish to comment or object, you should file ten

copies of such comments or objections with the PSC no later than Wednesday, July 16, 2008, at the address set forth below:

Public Service Commission
861 Silver Lake Blvd.
Cannon Bldg., Suite 100
Dover, DE 19904
Attn: PSC Dckt. No. 08-125

If you file an objection, or wish to participate as a party in this proceeding, you should also file, by the above date, a petition to intervene under Rule 21 of the PSC's Rules of Practice and Procedure. You can review the application at the PSC's office at the address denoted above or via the PSC's website located at <http://depsc.delaware.gov>.

You can contact the PSC about this matter at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (text telephone also) or you may send questions by e-mail to janis.dillard@state.de.us. If you are disabled and need assistance in participating in this matter, please contact the PSC to discuss such assistance.