

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE PROVISION OF)
STANDARD OFFER SUPPLY TO RETAIL)
CONSUMERS IN THE SERVICE TERRITORY) PSC DOCKET NO. 04-391
OF DELMARVA POWER & LIGHT COMPANY)
AFTER MAY 1, 2006)
(OPENED OCTOBER 19, 2004))

ORDER NO. 7405

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

1. By PSC Order No. 7388 (May 6, 2008), the Commission accepted the "Final Report of the Technical Consultant on Delmarva's Requests for Proposals for Full Requirements Wholesale Supply to Delaware's Standard Offer Service Customers" (March 11, 2008) filed by the Boston Pacific Company, Inc. and approved, on a temporary basis and subject to refund, the revised tariff sheets proposed by Delmarva Power & Light Company ("DP&L" or the "Company") to reflect the changes to Standard Offer Service ("SOS") rates and Procurement Cost Adjustment ("PCA")¹ factors resulting from the 2007-08 SOS procurements. The Commission also directed the Company to publish notice of the proposed tariff revisions, with a comment period ending June 13, 2008. The effects of the proposed rate changes, for a

¹The PCA is a component of the "Full Requirements Cost" portion of both "fixed" and "hourly" priced SOS rates. It is designed to collect, or return, over the subsequent rate year any past period differences between the amounts billed to customers for fixed-price SOS (FP-SOS) and Hourly Priced services (HPS) and the amounts DP&L actually paid to wholesale suppliers and PJM Interconnection ("PJM") to provide such full requirements for FP-SOS and HPS. The PCA is calculated by customer class and any differences are also subject to an interest charge.

typical residential customer using 750 kWh of electricity in a month, would be an increase in the monthly bill of \$3.07 or 2.83%.

2. By memorandum dated June 14, 2008, Staff reported that it and Boston Pacific completed their investigation and analysis of the proposed tariff revisions and concluded that the proposed SOS rates are consistent with prior Commission Orders and appropriately reflect the costs of the 2007-08 power procurements and the adjusted PCA. Staff noted that it received no objections or comments regarding the tariff revisions and recommended approval thereof.

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

1. That, for the reasons stated above, the Commission approves the revised tariff sheets, including revised rates, filed by Delmarva Power & Light Company on April 2, 2008, pertaining to its Standard Offer Service offerings and Procurement Cost Adjustment factors, which were allowed to go into effect on a temporary basis on June 1, 2008. This final approval is effective on the date of this Order.

2. 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

PSC Docket No. 04-391, Order No. 7405 Cont'd.

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary