

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

IN THE MATTER OF THE PETITION OF )  
DELMARVA POWER & LIGHT COMPANY FOR )  
AUTHORIZATION TO DEFER CERTAIN )  
CHARGES TO THE COMPANY'S FINANCIAL ) PSC DOCKET NO. 09-182  
STATEMENTS RESULTING FROM THE IMPACT )  
OF RECENT ECONOMIC DEVELOPMENTS ON )  
PENSION COSTS (FILED MAY 1, 2009) )

**ORDER NO. 7566**

This 19<sup>th</sup> day of May, 2009, the Commission determines and Orders the following:

1. On May 1, 2009, Delmarva Power & Light Company ("Delmarva") filed its Petition for Authorization to Defer Certain Charges to the Company's Financial Statements Resulting from the Impact of Recent Economic Developments on Pension Costs (the "Petition").

2. Through the Petition, Delmarva seeks an Order for regulatory accounting purposes authorizing it to "defer as a regulatory asset" "certain increases in charges to its financial statements" required under Statement of Financial Accounting Standards ("SFAS") No. 87, *Employers' Accounting for Pensions*, as amended by SFAS 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*. See Petition, p. 2. Specifically, Delmarva seeks to create a regulatory asset for a significant increase in its operations-and-maintenance expense, incurred as a result of a corresponding increase in its pension expense.

3. Commission Staff has reviewed the Petition, commenced informal discovery, and is in the process of investigating the basis

of the relief requested in the Petition. Staff is also considering whether it will require the assistance of a consultant with expertise in the matters raised by the Petition. Staff will report back to the Commission with a recommendation regarding how to proceed.

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

1. That the Commission opens this docket to investigate the merits of the Petition.

2. That, pursuant to Rule 17(b) of the Commission's Rules of Practice and Procedure, this matter is hereby referred to Ruth Ann Price, Esquire, Hearing Examiner, to conduct appropriate proceedings and to provide a Report to the Commission with proposed findings and recommendations.

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)(1).

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. 09-182, Order No. 7566 Cont'd.

/s/ Dallas Winslow  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

ATTEST:

/s/ Karen J. Nickerson  
Secretary