

**A REGULAR MEETING
OF
THE PUBLIC SERVICE COMMISSION**

1. A Regular Meeting was called to order by Chair Winslow in the Hearing Room, 861 Silver Lake Boulevard, Dover, Delaware, on Tuesday, June 28, 2016, at 1:00 p.m. with the following Commissioners in attendance: Joann Conaway, Mike Karia, Harold Gray, and Kim Drexler.

The following Staff members were in attendance: Brenda Mayrack, Deputy Attorney General, Robert Willard, Deputy Attorney General, James McC. Geddes, Esquire, Robert Howatt, Matthew Hartigan, Joshua Bowman, Connie McDowell, Donna Nickerson, and Natalie White.

2. Commissioner Gray moved to approve public and executive meeting minutes from the June 7, 2016 Commission meeting; seconded by Commissioner Drexler; motion carried unanimously.

Mr. Howatt introduced the newest Staff member of the Administrative team, Elaine Cinque.

3. CONSENT AGENDA ITEMS:

A motion was made by Commissioner Gray and seconded by Commissioner Drexler to move Item Number One, Docket No. 16-0711, from the Consent Agenda and place on the Regular Agenda for consideration; motion carried unanimously.

A motion was made by Commissioner Conaway to adopt the following Consent Agenda items as amended:

IN THE MATTER OF THE APPLICATION OF TIDEWATER ENVIRONMENTAL SERVICES, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER SERVICES PURSUANT TO 26 *DEL. C.* §203D (“BREEDERS CROWN”) (FILED MAY 28, 2009) - PSC DOCKET NO. 05-WW-006

IN THE MATTER OF THE APPLICATION OF TIDEWATER ENVIRONMENTAL SERVICES, INC. TO ABANDON UNDER 26 *DEL. C.* §203A (d) WASTEWATER SERVICES PROVIDED UNDER A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (FILED APRIL 19, 2016) - PSC DOCKET NO. 16-0572

Commission to consider Staff Memorandum and proposed Order No. 8902.

IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES PURSUANT TO 26 *DEL. C.* §203C (“CLAYTON FARMS”) (FILED MAY 4, 2016) - PSC DOCKET NO. 16-0627

Commission to consider Staff Memorandum and proposed Order No. 8903.

IN THE MATTER OF THE APPLICATION OF EVERYDAY ENERGY, LLC D/B/A ENERGY REWARDS F/K/A FTR ENERGY SERVICES FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED FEBRUARY 20, 2015; FILED MARCH 22, 2016) – PSC DOCKET NO. 15-0711

Commission to consider Staff Memorandum and proposed Order No. 8906.

The motion was seconded by Commissioner Drexler; the motion carried unanimously.

4. REGULAR AGENDA ITEMS:

IN THE MATTER OF THE NOTICE OF POTENTIAL VIOLATION OF 26 *DEL. ADMIN. C.* §8001 AND ASSOCIATED CIVIL PENALTIES ASSESSED TO COOLIDGE ADMIRALS CLUB LLC (OPENED OCTOBER 1, 2015) - PSC DOCKET NO. 15-1463

Brenda Mayrack, Esquire, and Jerry Platt appeared on behalf of Staff.

Theresa Trumbetti appeared on behalf of Coolidge Admirals Club LLC.

A motion was made by Commissioner Karia and seconded by Commissioner Conaway to adopt Order No. 8889 as amended; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE APPLICATION OF TIDEWATER UTILITIES, INC. IMPLEMENTING DISTRIBUTION SYSTEM IMPROVEMENT CHARGE PURSUANT TO 26 *DEL. C.* §314 (FILED NOVEMBER 14, 2014) - PSC DOCKET NO. 14-0525

IN THE MATTER OF THE APPLICATION OF TIDEWATER UTILITIES, INC. FOR THE APPROVAL OF THE SEMI-ANNUAL ADJUSTMENT TO THE DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (“DSIC”) EFFECTIVE JULY 1, 2015 PURSUANT TO 26 *DEL. C.* §314(b) (5) (FILED MAY 21, 2015) - PSC DOCKET NO. 15-1000

Brenda Mayrack, Esquire, and Joshua Bowman appeared on behalf of Staff.

Kirsten Higgins appeared on behalf of Tidewater Utilities, Inc.

Regina Iorii, Esquire, and Dave Bonar appeared on behalf of the Division of the Public Advocate.

A motion was made by Commissioner Conaway and seconded by Commissioner Drexler to adopt Order No. 8907 as presented; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE APPLICATION OF TIDEWATER UTILITIES, INC. FOR THE APPROVAL OF THE SEMI-ANNUAL ADJUSTMENT TO THE DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (“DSIC”) EFFECTIVE JULY 1, 2016 PURSUANT TO 26 *DEL. C.* §314 (FILED MAY 20, 2016) - PSC DOCKET NO. 16-0656

Brenda Mayrack, Esquire, and Joshua Bowman appeared on behalf of Staff.

Kirsten Higgins appeared on behalf of Tidewater Utilities, Inc.

A motion was made by Commissioner Conaway and seconded by Commissioner Drexler to adopt Order No. 8904 as presented; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE COMMISSIONS' REVIEW OF THE NECESSITY FOR CYBERSECURITY GUIDELINES OR REGULATIONS FOR DELAWARE INVESTOR OWNED ELECTRIC, GAS, AND WATER UTILITIES (FILED MAY 23, 2016) – PSC DOCKET NO. 16-0659

Robert Willard, Esquire, and Connie McDowell appeared on behalf of Staff.

Pamela Scott, Esquire appeared on behalf of Delmarva Power & Light Company.

A motion was made by Commissioner Gray and seconded by Commissioner Karia to adopt Order No. 8898 as submitted; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF APPLICATION OF DELMARVA POWER & LIGHT COMPANY TO REVISE THE UTILITY FACILITY RELOCATION CHARGE ("UFRC") TO RECOVER COSTS INCURRED IN CONNECTION WITH THE RELOCATION OF GAS UTILITY FACILITIES (FILED MAY 26, 2016) - PSC DOCKET NO. 16-0672

IN THE MATTER OF APPLICATION OF DELMARVA POWER & LIGHT COMPANY TO REVISE THE UTILITY FACILITY RELOCATION CHARGE TO RECOVER COSTS INCURRED IN CONNECTION WITH THE RELOCATION OF ELECTRIC UTILITY FACILITIES (FILED MAY 26, 2016) - PSC DOCKET NO. 16-0671

James McC. Geddes, Esquire, and Connie McDowell appeared on behalf of Staff.

Pamela Scott, Esquire, and Marlene Santacecilia appeared on behalf of Delmarva Power & Light Company.

Regina Iorii, Esquire, and Dave Bonar appeared on behalf of the Division of the Public Advocate.

CHAIR WINSLOW CALLED A TEN MINUTE RECESS.

Regarding both Docket Nos. 16-0672 and 16-0671 a motion was made by Commissioner Gray and seconded by Commissioner Karia to adopt Order No. 8910 as submitted UFRC rates filed by Delmarva Power & Light Company; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. FOR THE APPROVAL OF THE SEMI-ANNUAL ADJUSTMENT TO THE DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (“DSIC”) EFFECTIVE JULY 1, 2016 PURSUANT TO 26 DEL. C. §314 (FILED MAY 31, 2016) - PSC DOCKET NO. 16-0676

Robert Willard, Esquire, and Joshua Bowman appeared on behalf of Staff.

David Valcarengi appeared on behalf of Artesian Water Company, Inc.

Regina Iorii, Esquire, and Dave Bonar appeared on behalf of the Division of the Public Advocate.

A motion was made by Commissioner Conaway and seconded by Commissioner Karia to adopt Order No. 8910 as submitted; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE DISCLAIMER OF AFFILIATION FILING BY T. ROWE PRICE ASSOCIATES, INC. REGARDING CERTAIN AFFILIATES OF CHESAPEAKE UTILITIES CORPORATION. (FILED NOVEMBER 11, 2015) – PSC DOCKET NO. 16-0711

Brenda Mayrack, Esquire appeared on behalf of Staff.

A motion was made by Commissioner Conaway and seconded by Commissioner Drexler to continue the matter of the disclaimer of affiliation filed by T. Rowe Price Associates, Inc. in Docket No. 16-0711 to the future; motion carried unanimously.

A verbatim transcript was made of this proceeding.

5. PUBLIC COMMENTS:

Mr. Howatt recognized Jason Smith for the Department of State’s employee of the first quarter for 2016.

6. DIRECTOR'S COMMENTS:

After requesting the Congressional Delegation get involved in the Artificial Island Project with the Federal Energy Regulatory Commission, asking them to look at the cost allocation among other things for the State of Delaware to help avoid the cost, Mr. Howatt summarized a response received from Chairman Norman Bay of the Federal Energy Regulatory Commission addressed to the Honorable Jack Markell, Honorable Christopher Koons, Honorable Thomas R. Carper, and the Honorable John Carney in regards to FERC Docket No. EL15-95, Artificial Island Project. Chairman Bay informed them while he is unable to comment on the merits to request for rehearing, as it is pending before the Commission, he can assure the State of Delaware that the Commission understands the importance of reasonable allocation of transmission cost to consumers and PJM.

Mr. Howatt informed the Commission that Staff, along with the Maryland Commission, sent a letter to PJM asking them to encourage FERC to move along on the cost allocation issue and be supportive of Staff's efforts to whatever extent that they could. A letter was received back addressed to Chair Winslow and Chairman Hughes of the Maryland Commission acknowledging the Commission's concerns with the cost allocation methodology. PJM stated the board understands the desire for FERC to rehear the matter and they will not oppose request for rehearing.

Mr. Howatt announced that there would be a Public Comment Session regarding Docket No. 16-0163, Suez Water Delaware Inc., on June 30, 2016, 6:00 P.M. at the University of Delaware, Arsht Hall, Wilmington, DE.

Mr. Howatt announced at the next Commission meeting of July 12, 2016 there would also be an Evidentiary Hearing regarding Docket No. 16-0642, Chesapeake Utilities Corporation, concerning the City of Harrington Franchise Fee Rider at 1:00 P.M., Dover Office.

Mr. Howatt also announced that on July 21, 2016 at 9:30 A.M., in the Dover Office, there would be a Workshop held regarding Docket No. 14-0283, Reviewing Delmarva Power's Retail Electricity Procurement for residential and small commercial customers. This workshop will be an opportunity for the participants to review and submit comments on the London Economics' report that advocates a proposal for a portfolio of supply. This will go before the Commission for their consideration at a later date.

There was no further business and the meeting adjourned approximately at 2:33 p.m.

Respectfully submitted,

/s/ Donna Nickerson

Secretary