

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

IN THE MATTER OF THE APPLICATION                    )  
OF DELMARVA POWER & LIGHT COMPANY                )  
FOR APPROVAL OF MODIFICATIONS                    )       PSC DOCKET NO. 16-0889  
TO ITS GAS COST RATES                                )  
(FILED AUGUST 26, 2016)                            )

**ORDER NO. 8942**

**AND NOW**, this 20<sup>th</sup> day of September, 2016, the Delaware Public Service Commission ("Commission") determines and orders the following:

**WHEREAS**, on August 26, 2016, Delmarva Power & Light Company ("Delmarva" or "the Company") filed with the Commission the above-captioned application (the "Application") seeking approval to change its Gas Cost Rates ("GCR") effective for usage on or after November 1, 2016, with proration, as follows: (1) revise the GCR demand and commodity charge applicable to Service Classifications Electing MVG and LVG; (2) revise the volumetrically applied GCR factors applicable to the RG, GG, and GL Service Classifications; (3) approve the proposed Balancing Charge and Pressure Support Fee for the November 2016 - October 2017 GCR period; and (4) approve changes to the Company's tariff; and

**WHEREAS**, the Commission has determined, pursuant to 26 Del. C. §§304 and 306, that the proposed GCR changes should be permitted to become effective for usage on and after November 1, 2016, subject to refund and pending the Commission's further review and final decision;

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

1. Pursuant to 26 Del. C. §§303(b), 304, and 306, the following proposed changes to the GCR rates and the accompanying proposed tariff revisions set forth in the Application, are permitted to become effective for natural gas usage on or after November 1, 2016, subject to refund and pending the Commission's final decision:

Rate Schedules	Present		Proposed	
	GCR Demand Charge	GCR Commodity Charge	GCR Demand Charge	GCR Commodity Charge
RG, GG and GL	N/A	39.467¢/ccf	N/A	44.995¢/ccf
Electing MVG and LVG	\$1.7022/Mcf of Billing MDQ	Varies	\$1.7148/Mcf	Varies
Standby Service	\$1.7022/Mcf of Standby MDQ	N/A	\$1.7148/Mcf	N/A

2. R. Campbell Hay is designated as the Hearing Examiner for this docket pursuant to 26 Del. C. §502 and 29 Del. C. ch. 101. Hearing Examiner Hay shall schedule and conduct such public evidentiary hearings as may be necessary or appropriate to develop a full and complete record concerning this matter. Hearing Examiner Hay shall thereafter prepare and submit to the Commission a proposed order for the Commission's consideration, which proposed order shall include a brief summary of the evidence and recommended findings of fact based upon the evidence presented, his recommended conclusions of law, and his recommended decision. Pursuant to 26 Del. Admin. C. §1001-2.9.3, Hearing Examiner Hay is delegated the authority to grant or deny petitions to intervene. In addition, Hearing Examiner Hay is delegated the authority under 26 Del. C. §102A to determine the

content, form, and manner of any further notice in this matter and is delegated the authority under 26 *Del. Admin. C.* §1001-2.1 to grant applications of counsel for admission *pro hac vice*.

3. Delmarva shall give public notice of the filing of this Application, with the proposed rate changes and this action by the Commission, by publishing notice in the form attached as **Exhibit "A"** in two-column format, outlined in black, in the legal classified section of The News Journal newspaper on **Tuesday, October 4, 2016 and Tuesday, October 11, 2016**. Delmarva shall submit proof of such publications as soon as possible, but no later than the commencement of any evidentiary hearings concerning this matter.

4. The deadline for intervention pursuant to 26 *Del. Admin C.* §1001-2.9 shall be **Friday, October 28, 2016**. Petitions for intervention that are not received by the Commission **on or before Friday, October 28, 2016**, will not be granted unless good cause is shown. Pursuant to Rule 1000.6.4 of the Commission's Rules of Practice and Procedure, 26 *Del. Admin. Code* §1000.1.6.4, petitions for intervention should be filed using the Commission's file management system, DelaFile (<http://delafile.delaware.gov>), by searching for Docket No. 16-0889.

5. As outlined in the form of notice (attached as **Exhibit "A"**) interested persons are afforded the opportunity to file objections to the proposed changes to the GCR rates, Balancing Charges and Pressure Support Fee, and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 28, 2016** using the Commission's

file management system, DelaFile (<http://delafile.delaware.gov>), by searching for Docket No. 16-0889.

6. If the Commission does not receive any petitions to intervene, material objections, or written comments raising significant issues, the Commission may, by later order, rescind the designation of R. Campbell Hay as the Hearing Examiner for this proceeding, and approve the proposed changes to the GCR rates, firm balancing rates, and the accompanying proposed tariff revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting.

7. Delmarva is hereby put on notice that it will be charged the costs incurred by the Commission Staff and the Division of the Public Advocate in connection with this proceeding under the provisions of 26 Del. C. §114(b)(1).

8. 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:**

\_\_\_\_\_  
Chair

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Commissioner

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Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

ATTEST:

\_\_\_\_\_  
Secretary

E X H I B I T "A"

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IN THE MATTER OF THE APPLICATION )  
OF DELMARVA POWER & LIGHT COMPANY )  
FOR APPROVAL OF MODIFICATIONS ) PSC DOCKET NO. 16-0889  
TO ITS GAS COST RATES )  
(FILED AUGUST 26, 2016) )

P U B L I C N O T I C E

TO: ALL NATURAL GAS CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY  
AND OTHER INTERESTED PERSONS

Delmarva Power & Light's Gas Cost Rate Application

On August 26, 2016, Delmarva Power & Light Company ("Delmarva" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application pursuant to 26 Del. C. §§303(b), 304, and 306 seeking to change its Gas Cost Rates ("GCR") as follows:

Rate Schedules	Present		Proposed	
	GCR Demand Charge	GCR Commodity Charge	GCR Demand Charge	GCR Commodity Charge
RG, GG and GL	N/A	39.467¢/ccf	N/A	44.995¢/ccf
Electing MVG and LVG	\$1.7022/Mcf of Billing MDQ	Varies	\$1.7148/Mcf	Varies
Standby Service	\$1.7022/Mcf of Standby MDQ	N/A	\$1.7148/Mcf	N/A

The effect on a residential space heating customer using 120 ccf in a winter month would be an increase of \$6.63, or 5.8%, in the customer's total bill. Customers served on Service Classification GG would experience an increase on their bills ranging between 2.5% and 7.6%, while customers served on Service Classification MVG would experience an increase on their bills ranging between 6.8% and 10.4%,

depending upon their load and usage characteristics.

The Commission has permitted the proposed GCR and other rates to become effective with usage on and after November 1, 2016, subject to refund and pending the Commission's final decision after evidentiary hearings and any other proceedings that may be necessary.

The Commission will conduct evidentiary hearings, to be scheduled at a later date, concerning this Application. The Commission's final decision will be based on the evidence presented at such hearings.

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before Friday, October 28, 2016**. All such petitions should be e-filed according to the Commission's Rules (26 Del. Admin. C. §1001-1.6.4). Petitions filed after the deadline of October 28, 2016, will not be considered except for good cause shown.

Interested persons are afforded the opportunity to file objections to the proposed changes to the GCR and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 28, 2016** using the Commission's file management system, DelaFile (<http://delafile.delaware.gov>), and by searching for Docket No. 16-0889.

If the Commission does not receive any petitions to intervene, material objections, or written comments raising significant issues, the Commission may, by later order, rescind the designation of R.

Campbell Hay as the Hearing Examiner for this proceeding, and approve the proposed changes to the GCR rates, Balancing Charges, Pressure Support Fee and the accompanying proposed tariff revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting.

You are invited to review Delmarva's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file management system, and by searching for Docket No. 16-0889.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at (302) 736-7500 or by sending an email addressed to [donna.nickerson@state.de.us](mailto:donna.nickerson@state.de.us). You may also review copies of Delmarva's Application and supporting documents at the office of the Division of the Public Advocate located at either 820 North French Street, 4<sup>th</sup> Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, DE 19901. Please call either (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://depsec.delaware.gov>, or by visiting this web address: <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any

auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to [psc@state.de.us](mailto:psc@state.de.us); include "PSC Docket No. 16-0889" as the subject.