



STATE OF DELAWARE  
DEPARTMENT OF STATE  
**DIVISION OF THE PUBLIC ADVOCATE**  
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August 10, 2010

***VIA E-MAIL***

To: The Chair and Commissioners, Public Service Commission of Delaware

RE: *PSC Docket No. 10-198*

Dear Commissioners:

This letter contains the Division of the Public Advocate's ("DPA") Comments on Staff's "Report on Delmarva Power's Request for Approval of Solar Renewable Energy Credit Contracts" in PSC Docket No. 10-198.

The DPA recommends that the Public Service Commission ("PSC" or "Commission") adopt Staff's Report and direct the parties to implement the recommendations therein. The PSC should also approve the White Oak-Delmarva ("DPL") contract and reject the Delmarva-Sustainable Energy Utility ("SEU") contract.

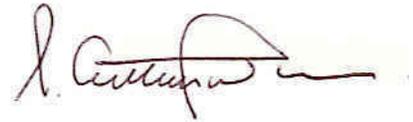
We have no reason not to believe that the DPL-SEU contract, when negotiated, was reasonable; however, the recent legislative increase in Delaware's requirement for Solar Renewable Energy Credits ("SRECs") makes the contract superfluous and would load additional, now unsupported costs, originally intended to mitigate the risks the project, onto the back of Delaware ratepayers. Moreover, the postulated rationale for the contract, *i.e.*, to reduce the risk that the SRECs would "time out" and, thus, banking them with the SEU would mitigate the potential for loss of the SRECs, is no longer even remote speculation. Accordingly, and especially in view of the foregoing, we believe that if the PSC were to approve the DPL-SEU contract it would produce rates that were unjust and unreasonable for ratepayers.

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The DPA wishes to express its appreciation to Staff and Staff's consultant for the excellent analysis and well founded recommendations. We see no need to regurgitate the Report, nor the history leading up to it. What we do see is a need for is this Commission to act decisively and approve the Delmarva-White Oak contract and reject the DPL-SEU contract as both unnecessary and not in the public interest.

Copies of this filing are being served to the Hearing Examiner and to all parties on the attached service list via e-mail.

Respectfully,

A handwritten signature in dark ink, appearing to read 'G. Arthur Padmore', is written over a light yellow rectangular highlight.

G. Arthur Padmore  
Public Advocate

cc: Service List via Email