

**Path Forward on Delmarva Power & Light Company’s Integrated Resource Plan (“IRP”)
Joint Proposal to Ratify PSC Docket No. 10-2**

The undersigned parties believe that Delmarva Power has met the requirements for ratification of the IRP. The Commission Staff (“Staff”), the Division of the Public Advocate (“DPA”), Caesar Rodney Institute (“CRI”) and Delmarva Power & Light Company (“Delmarva” or “DPL”) hereby request that the Hearing Examiner recommend that the Commission ratify the current IRP. Staff, DPA, CRI and Delmarva further request that the Hearing Examiner’s recommendation provide that future IRPs proceed as set forth in the following proposals:

1. The IRP recommends that DPL continue to manage its supply portfolio in the manner currently approved by the Commission. As needed in the future, DPL will seek Commission approval through separate applications for changes to resources or process(es) to secure resources.
2. A process for stakeholder participation, in the form of an IRP Working Group, will meet at least once a quarter going forward.
3. The written comments of parties to PSC Docket No. 10-2 discuss recommended modifications for the next IRP filing, due in December 2012. An evaluation process for addressing the following modifications will be developed in collaboration with the IRP Working Group:
 - a. Changes to load forecasting methods
 - b. Additional analyses of DSM
 - c. Provide documentation of IRP Scenario selection
 - d. Use of an alternative Air Quality model to evaluate human health benefits
 - e. More robust discussion of transmission options and interconnection issues
 - f. Address the effect on customer bills resulting from the increased use of renewable resources
4. Instead of creating and submitting an entirely new, highly detailed filing every two years, DPL should alternate “new” filings, such as the 2010 IRP, with “updated” filings, where existing models and studies may be updated or additional studies may be added (in a manner compliant with EURCSA) to be defined in the IRP Working Group between now and Delmarva’s next IRP filing (December 1, 2012). This modification to the process will allow for improvement to the IRP and IRP process, while avoiding unnecessary additional costs to Delmarva’s SOS customers.

The IRP Working Group (or Special Task Team if appropriate) will discuss and collaboratively evaluate the following issues (in priority order):

1. Define “new” vs. “updated” versions of the IRP.
2. Discuss steps to be taken to continue the evaluation and potential implementations of natural gas fired generation on the Delmarva Peninsula, including, but not limited to: evaluation criteria, RFQs, RFPs, accounting issues on future PPAs, and the benefits of regulated versus merchant generation.
3. Assessment of alternatives to DPL’s current procurement process for SOS customer supply requirements.

The signatories to this document also agree that the proper forum to initiate a process to consider rule changes to make electric choice more competitive should be through a separate Working Group outside of the IRP Working Group and future IRP Dockets..

/s/ Todd Goodman

/s/ William O’Brien

/s/ Michael Sheehy

Delmarva Power

DPSC Staff

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