



News Release

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For Immediate Release

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Delaware Public Service Commission Seeks Public Input on Delmarva Power Spending Plan

Dover, Del.- The Delaware Public Service Commission (PSC) is conducting interactive public comment sessions regarding its investigation into Delmarva Power and Light Company's request to spend \$397,000,000 over the next five years on infrastructure replacement and reliability projects.

Delmarva Power serves customers in New Castle, Kent and Sussex counties who are not served by a municipal electric system or the Delaware Electric Cooperative.

On March 22, 2013, Delmarva Power filed an application with the Delaware Public Service Commission seeking an increase in electric rates. The total revenue increase requested by Delmarva Power is \$42,044,000 or 23.8 percent over existing retail distribution rates. In addition, Delmarva Power stated that it intends to invest approximately \$397,000,000 in its distribution system over the next five years to replace infrastructure and enhance and maintain system reliability. On May 7, 2013 the Public Service Commission opened PSC Docket No. 13-152 to investigate whether Delmarva Power's proposed expenditures for infrastructure and reliability improvement are consistent with Delmarva Power customers' needs and the ability of Delmarva Power customers to pay for such an investment.

Currently a typical residential customer using 1,000 kilowatt hours of electricity per month receives a total bill of approximately \$141.23, of which only \$39.01 (28 percent) is actually related to distribution costs. If Delmarva Power was to make the proposed \$397,000,000 investment in the distribution system, the PSC staff estimates the distribution portion of an average residential customer's bill could increase almost 30 percent, or \$11.36 per month, by 2017. This is in addition to the forecasted supply cost increases that the General Assembly has mandated as part of the 2010 Renewable Energy Portfolio Standard legislation.

The Delaware PSC seeks public input regarding:

- The level of reliability that customers are currently receiving.
- The level of reliability that customers believe they require.
- The amount of money customers are willing to pay for that reliability.
- The affordability of the current rates that Delmarva customers are paying.
- The ability for customers to pay the rates that Delmarva may request if the Company makes the \$397,000,000 additional reliability investment it has suggested it will make over the next five years.

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The public interactive discussion forums and comment sessions will be held at the following times and locations:

DATE	TIME	LOCATION
Thursday, September 26, 2013	4:00 p.m.	Public Service Commission 861 Silver Lake Blvd., Suite 100 Hearing Room Dover, DE 19904
Thursday, October 3, 2013	5:30 p.m.	Delaware Tech (DTCC) Jack F. Owens Campus, Electra Hall – William Carter Partnership Center, Rt. 18 Seashore Highway, Georgetown, DE
Wednesday, October 16, 2013	7:00 p.m.	University of Delaware - Arsht Hall – 1st Floor, Rooms 108 & 109, 2600 Pennsylvania Avenue, Wilmington, DE

The PSC, utility customers and Delmarva Power investors all expect that the company will make investments that enable it to maintain a solid operational and financial foundation. Such investment may be prudent when equipment is nearing the end of its useful life, or if new technology would allow for improved service, or if a utility has experienced persistent reliability issues.

Delmarva Power currently provides better reliability than required by Commission rules, as measured by SAIDI – System Average Interruption Duration Index. The SAIDI measure is a composite measure of average outage frequency and average outage duration indices. Delmarva Power is required to maintain its system such that the system-wide outages do not exceed 295 minutes per customer per year. Delmarva Power has continuously met and exceeded this requirement in recent years; in fact in 2012 Delmarva Power’s SAIDI was 146 minutes per customer; 51 percent lower (i.e. performed better) than the required reliability standard.

Further information regarding the investigation can be found on the Delaware Public Service Commission website (www.depsc.delaware.gov) by referencing docket number 13-152. Written comments can also be sent to: Delaware Public Service Commission, 861 Silver Lake Blvd., Suite 100, Dover, DE 19904, Attn: Docket 13-152.

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