

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

IN THE MATTER OF THE ADOPTION OF)
RULES AND REGULATIONS TO IMPLEMENT)
THE PROVISIONS OF 26 *DEL. C. CH. 10*)
RELATING TO THE CREATION OF A)
COMPETITIVE MARKET FOR RETAIL) PSC REGULATION DOCKET NO. 49
ELECTRIC SUPPLY SERVICE (OPENED)
APRIL 27, 1999; RE-OPENED JANUARY)
7, 2003; RE-OPENED SEPTEMBER 22,)
2009; RE-OPENED SEPTEMBER 7, 2010))

ORDER NO. 7875

This 7th day of December, 2010, the Commission determines and Orders the following:

WHEREAS, the Commission has promulgated regulations entitled *Regulations Governing Service Supplied by Electrical Corporations*. See 26 Del. Admin. C. § 3001, *et seq.* (the "Regulations");¹ and

WHEREAS, included in the Regulations are certain rules pertaining to "net energy metering" (the "Net Energy Metering Rules"); and

WHEREAS, on July 28, 2010, Senate Bill No. 267, as amended by Senate Amendment No. 2 ("SB267"), was enacted into law; and

WHEREAS, SB267 amends 26 *Del. C.* §§ 1001 and 1014, mostly to provide electric customers the opportunity to aggregate individual meters for the purpose of allocating net metering credits to electricity accounts other than the account hosting an energy generating facility. SB267 also provides community choice aggregation provisions for community-owned energy generating facilities that are

¹ The Regulations have been amended several times since their original passage in 1999. See PSC Order Nos. 538 (Oct. 1, 1999), 7023 (Sept. 5, 2006), 7078 (Jan. 1, 2007), and 7435 (Sept. 2, 2008).

established by a group of customers. Recognizing that not all customers own properties that are favorable for energy generating facilities, the community-owned net metering provisions of SB267 will allow a group of customers to invest and participate in distributed renewable energy facilities; and

WHEREAS, the amendments to Sections 1001 and 1014 effected by SB267 require certain amendments to the Net Energy Metering Rules; and

WHEREAS, Commission Staff proposed revisions to the Regulations that effect the changes required by SB267, as well as make certain other clarifications to the existing Regulations not related to those bills; and

WHEREAS, on September 7, 2010, the Commission entered Order No. 7832, re-opening this docket, publishing the revisions to the Regulations proposed by Staff, setting a hearing on the revisions for December 7, 2010, and inviting comments to the proposed revisions by September 30, 2010; and

WHEREAS, the Commission timely received comments to Staff's proposed revisions from several interested parties, including Delmarva Power & Light Company; and

WHEREAS, due to the substantive nature of the comments received, Staff has recommended that the Commission cancel the December 7, 2010 hearing and set up a procedure affording the parties an opportunity to reply to the comments received by the Commission and thereafter participate in a workshop to discuss how the Regulations should be modified as a result of SB267 and the various comments; and

WHEREAS, Staff has informed the Commission that Staff has provided specific notice of the above-suggested procedure to the parties who submitted comments and also provided general notice to the public through an update to the Commission's website.

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

1. Based upon Staff's recommendations, the Commission cancels the hearing in this matter that was originally scheduled for December 7, 2010. The Commission further orders that, on or before January 14, 2011, any party who timely submitted comments to the proposed revisions to the Commission's *Rules For Certification And Regulation Of Electric Suppliers*, adopted by PSC Order No. 5207 (Aug. 31, 1999) and revised from time to time (the "Regulations"), or a party who has filed for and been granted intervention in the instant docket, may submit further comments in reply to comments timely submitted by other parties in this proceeding.

2. That on or before February 17, 2011, the parties shall meet and confer in a workshop to consider the proposed revisions to the Regulations and the comments and reply comments that have been timely filed with the Commission. Only parties that have timely filed comments and/or filed for and been granted intervention in the instant docket will be allowed to participate in the workshop.

3. That, following the above workshop, Staff will report back to the Commission with recommendations regarding further procedures, including whether a hearing should be scheduled and/or whether the matter should be referred to a hearing examiner for further consideration.

4. That, pursuant to 26 Del. C. §§114 and 1012(c)(2), all electric suppliers and electric public utilities are hereby notified that they will be charged the costs incurred in connection with this proceeding under the provisions of 26 Del. C. §114(b)(1).

5. 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:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary