

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)	
OF DELMARVA POWER & LIGHT COMPANY)	
FOR AN INCREASE IN ELECTRIC BASE)	PSC DOCKET NO. 09-414
RATES AND MISCELLANEOUS TARIFF)	
CHANGES (FILED SEPTEMBER 18, 2009))	
IN THE MATTER OF THE APPLICATION)	
OF DELMARVA POWER & LIGHT COMPANY)	
FOR APPROVAL OF A MODIFIED FIXED)	PSC DOCKET NO. 09-276T
VARIABLE RATE DESIGN FOR ELECTRIC)	
RATES (FILED JUNE 25, 2009))	

ORDER NO. 7753

AND NOW, to-wit, this 30th day of March, 2010;

WHEREAS, on September 18, 2009, Delmarva Power & Light Company ("the Company" or "Delmarva") filed with the Delaware Public Service Commission (the "Commission") an application to increase electric distribution rates by \$27,618,487, or 4% over present rates, and for approval of other modifications to its tariff (the "September 2009 Application"); and

WHEREAS, pursuant to its authority under 26 *Del. C.* §306(a)(1), the Commission reviewed the September 2009 Application and determined in PSC Order No. 7671 (October 6, 2009) that the proposed rate and tariff changes should be suspended pending full and complete evidentiary hearings into their justness and reasonableness; and

WHEREAS, on November 17, 2009, Delmarva put into effect rates sufficient to allow it to collect an additional \$2,500,000, as specifically permitted by 26 *Del. C.* §306(c), subject to refund and to the conditions set forth in Order No. 7671; and

WHEREAS, as of April 19, 2010, seven months will have elapsed from the date of the filing of the Company's application for a rate increase; and

WHEREAS, on March 19, 2010, Delmarva submitted an Application (the "March 2010 Application") to implement under bond the full amount of its proposed rate increase, as permitted by 26 *Del. C.* §302(b), with such increased bonded rates to be subject to refund and to the same conditions as set forth in PSC Order No. 7671 (October 6, 2009); and

WHEREAS, it appears that the proposed rates set forth in the March 2010 Application will result in total additional revenue to Delmarva of less than or equal to 15% of its annual gross intrastate operating revenues, thus not exceeding the 15% ceiling set forth in 26 *Del. C.* §306(b); and

WHEREAS, the Commission having reviewed the March 2010 Application to implement under bond the full amount of its proposed rate increase under refund bond without surety and the supporting information demonstrating that the proposed increase is within the limitations established by 26 *Del. C.* §306(b) and otherwise complies therewith for the collection of rates under bond;

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

1. That the Commission finds, pursuant to 26 *Del. C.* §306(b), that Delmarva Power & Light Company has the statutory right, after the expiration of seven months from the filing of its rate increase

application (or on April 19, 2010), to place into effect the full amount of its proposed rate increase, subject to refund, so long as said rates will not produce an increase in excess of 15% of the Company's annual gross intrastate operating revenues.

2. That Delmarva Power & Light Company shall submit to the Commission a rate refunding bond, without surety, in the amount of TWENTY SEVEN MILLION SIX HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED EIGHTY SEVEN DOLLARS (\$27,618,487). Such rate refunding bond shall further guarantee repayment of the increased interim rates now to be collected pursuant to 26 *Del. C.* §306(b) should the Commission, after notice and hearing, approve less than the rate increase requested by Delmarva Power & Light Company in its September 2009 Application. The Commission reserves the right to subsequently increase the principal amount of the rate refunding bond, or require surety on any such amount, should the circumstances warrant.

3. That the proposed temporary rates set forth in the tariff sheets filed by Delmarva Power & Light Company in its March 2010 Application are reasonably designed to produce, on an annual basis, equal to or less than 15% of the gross annual intrastate operating revenues of Delmarva Power & Light Company and may therefore be placed into effect on April 19, 2010, under 26 *Del. C.* §306(b), subject to any refund that the Commission may hereafter order.

4. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary and proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary