

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

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT)
COMPANY FOR A CHANGE IN NATURAL) PSC DOCKET NO. 10-237
GAS BASE RATES (FILED JULY 2, 2010))

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT)
COMPANY FOR APPROVAL OF A) PSC DOCKET NO. 09-277T
MODIFIED FIXED VARIABLE)
RATE DESIGN FOR NATURAL GAS RATES)
(FILED JUNE 25, 2009))

ORDER NO. 7882

AND NOW, this 21st day of December, 2010:

WHEREAS, by Order No. 7619 dated August 4, 2009, the Delaware Public Service Commission (the "Commission") opened Docket No. 09-277T to examine the adoption of a modified fixed/variable rate design for the delivery of natural gas by Delmarva Power & Light Company ("Delmarva"), for implementation in Delmarva's next natural gas base rate case; and

WHEREAS, in Order No. 7619 the Commission specifically directed that upon Delmarva's expected filing of a gas base rate case, Docket 09-277T may (but need not) be consolidated with that rate case docket; and

WHEREAS, on July 2, 2010, Delmarva filed an application to increase its natural gas distribution base rates and for other modifications to its gas distribution service tariff, which included a request for approval of a modified fixed/variable rate design; and

WHEREAS, by Order No. 7808 dated July 22, 2010, the Commission opened Docket No. 10-237 to consider Delmarva's natural gas base rate application; and

WHEREAS, on October 20, 2010, the parties to Docket 09-277T submitted a proposed settlement agreement to the Hearing Examiner; and

WHEREAS, on November 4, 2010, the Hearing Examiner in Docket No. 09-277T held a meeting at the Commission's Dover offices, during which the topic of consolidating Docket No. 09-277T (decoupling) into Docket No. 10-237 (base rate case) was discussed; and

WHEREAS, the Division of the Public Advocate, Commission Staff and Delmarva agreed that Docket No. 09-277T should be consolidated into Docket No. 10-237; and

WHEREAS, on December 14, 2010, Delmarva filed a Motion to Consolidate Docket No. 09-277T with Docket No. 10-237 (the "Motion"); and

WHEREAS, Delmarva states in the Motion that consolidating Docket No. 07-277T into Docket No. 10-237 will promote administrative efficiency, due to the fact that the parties have executed a proposed settlement agreement in 07-277T, which constitutes a proposed settlement of the rate design portion of Docket No. 10-237; and

WHEREAS, none of the parties to either Docket oppose such consolidation;

NOW, THEREFORE, BY THE AFFIRMATIVE VOTE OF NO FEWER THAN THREE COMMISSIONERS, IT IS HEREBY ORDERED:

1. That the Motion is **GRANTED**.
2. That the issues that would have been addressed in Docket No. 09-277T shall be addressed in Docket No. 10-237.

3. That the caption for this consolidated docket going forward shall be as follows:

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4. That all documents, pleadings and other filings shall hereafter be placed in the Commission's electronic filing system under Docket No. 10-237.

5. That the Commission reserves the jurisdiction and authority to enter such further Orders 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/ Janis Dillard
Acting Executive Director