

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

IN THE MATTER OF THE APPLICATION                    )  
OF DELMARVA POWER & LIGHT COMPANY                )  
FOR AN ANNUAL UPDATE IN THE GAS                    )       PSC DOCKET NO. 12-420  
ENVIRONMENTAL SURCHARGE RIDER RATE                )  
(FILED AUGUST 31, 2012)                                )

**ORDER NO. 8218**

**AND NOW**, this 18<sup>th</sup> day of September, 2012:

**WHEREAS**, on August 31, 2012, Delmarva Power & Light Company ("DP&L") filed the above-captioned application (the "Application") with the Delaware Public Service Commission (the "Commission") seeking approval to increase the rate for its Environmental Surcharge Rider ("ESR") under the process approved in PSC Order No. 6401 (April 20, 2004) in Docket No. 04-53; and

**WHEREAS**, in its Application, DP&L seeks to increase its current ESR rate from a positive surcharge of \$0.00013 per ccf to a positive surcharge rate of \$0.00021 per ccf for all firm delivery service customers; and

**WHEREAS**, the Commission having determined, pursuant to 26 Del. C. §§304 and 306 and its prior Order No. 6401, that the proposed rate adjustment (increasing the present rate) should be permitted to become effective for gas usage on and after November 1, 2012, with proration, and subject to refund pending further review and final decision by the Commission;

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

1. That, pursuant to 26 Del. C. §§304 and 306 and the process set forth by the Commission in PSC Order No. 6401 (April 20, 2004),

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the increase in the current Environmental Surcharge Rider rate as set forth in Delmarva Power & Light Company's application filed on August 31, 2012 (the "Application"), is hereby permitted to go into effect with usage on and after November 1, 2012, with proration and subject to refund pending further review and final decision by the Commission.

2. That in light of Staff's audit of the costs for the Environmental Compliance Year that comprise this Application, the Commission shall not assign this docket to a Hearing Examiner to conduct an evidentiary hearing, but, rather, shall conduct an evidentiary hearing on the Application during its regularly-scheduled meeting on **Monday, November 5, 2012, at 1:00 p.m.** at 861 Silver Lake Boulevard, 1<sup>st</sup> Floor Hearing Room, Cannon Building, Dover, Delaware 19904. The Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on November 5, 2012. The Commission designates Hearing Examiner Mark Lawrence, pursuant to 26 *Del. C.* §502 and 29 *Del. C.* ch. 101, for the sole purpose of considering any petitions for intervention that may be filed in the proceeding.

3. That Delmarva Power & Light Company shall provide public notice of the filing of its Application, this Order, and the date of the evidentiary hearing by publishing notices, in the form attached hereto as Exhibit "A," in the legal classified section of The News Journal newspaper in two-column format, outlined in black, on **September 25 and October 16, 2012.** Proof of such publication is to be

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provided to the Commission as soon as practical but not later than the commencement of the evidentiary hearing concerning this matter.

4. That the deadline for intervention pursuant to 26 Del. Admin C. §1001 shall be **October 2, 2012**. Petitions for intervention that are not received by the Commission **on or before October 2, 2012**, will not be granted unless good cause is shown. In addition, any intervenor wishing to oppose the Application must file written pre-filed testimony with the Commission, pursuant to the Commission's rules, on or before **Tuesday, October 16, 2012**. Copies of such testimony must also be served on the following persons:

Jo Donoghue, Esq.  
Deputy Attorney General  
Public Service Commission  
820 N. French Street  
6<sup>th</sup> Floor  
Wilmington, DE 19801  
[jo.donoghue@state.de.us](mailto:jo.donoghue@state.de.us)

Regina Iorii, Esq.  
Deputy Attorney General  
Division of the Public Advocate  
820 N. French Street  
6<sup>th</sup> Floor  
Wilmington, DE 19801  
[regina.iorii@state.de.us](mailto:regina.iorii@state.de.us)

Todd L. Goodman, Esq.  
Associate General Counsel  
Delmarva Power & Light Co.  
500 North Wakefield Dr.  
Newark, DE 19702  
or  
P.O. Box 6066  
Mail Stop:92 DC 42  
Newark, DE 19714  
[todd.goodman@pepcoholdings.com](mailto:todd.goodman@pepcoholdings.com)

Malika Davis  
Public Utility Analyst  
Delaware Public Service Commission  
861 Silver Lake Blvd., Suite 100  
Dover, DE 19904  
[malika.davis@state.de.us](mailto:malika.davis@state.de.us)

Ashley T. Adams  
Regulatory Affairs  
Delmarva Power & Light Company  
401 Eagle Run Road  
Newark DE, 19702

Michael D. Sheehy, Public Advocate  
820 N. French Street  
4<sup>th</sup> Floor  
Wilmington, DE 19801  
[michael.sheehy@state.de.us](mailto:michael.sheehy@state.de.us)

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or

P.O. Box 9239  
Mail Stop: 79 NC 59  
Newark, DE 19714  
[ashley.adams@pepcoholdings.com](mailto:ashley.adams@pepcoholdings.com)

Robert Kitson  
Mgr. Gas Engineering  
630 Martin Luther King Jr. Blvd.  
Wilmington, DE 19801

or

P.O. Box 231  
Mail Stop: 88 MK 66  
Wilmington, DE 19899  
[Robert.kitson@pepcoholdings.com](mailto:Robert.kitson@pepcoholdings.com)

Andrea B. Maucher  
Division of the Public Advocate  
John G. Townsend Building  
401 Federal Street, Suite 3  
Dover DE 19901

[andrea.maucher@state.de.us](mailto:andrea.maucher@state.de.us)

Any written pre-filed testimony sent by an intervenor that is not received by the Commission **on or before October 16, 2012**, will not be considered.<sup>5</sup> Delmarva Power & Light Company is hereby put on notice that it will be charged the costs incurred in connection with this proceeding under the provisions of 26 Del. C. §114(b)(1).

6. That 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/ Dallas Winslow  
Chair

/s/ Joann T. Conaway  
Commissioner

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Commissioner

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/s/ Jaymes B. Lester  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

ATTEST:

/s/ Alisa Carrow Bentley  
Secretary

E X H I B I T "A"

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IN THE MATTER OF THE APPLICATION )  
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(FILED AUGUST 31, 2012) )

P U B L I C N O T I C E

**OF UPDATE TO DELMARVA POWER AND LIGHT COMPANY'S GAS ENVIRONMENTAL  
SURCHARGE RIDER RATE**

**TO: ALL NATURAL GAS CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY, AND  
OTHER INTERESTED PERSONS**

The Delaware Public Service Commission (the "Commission") will conduct a public comment session and evidentiary hearing concerning the above-captioned case (as further explained below) at the following time and location:

<u>Date &amp; Time</u>	<u>Location</u>
Monday, November 5, 2012 at 1:00 p.m.	Hearing Room Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building Dover, DE 19904

**DP&L's Environmental Surcharge Rider Rate, PSC Docket No. 12-420**

Pursuant to the environmental remediation recovery mechanism approved in PSC Order No. 6401 (April 20, 2004) in Docket No. 04-53, Delmarva Power & Light Company ("DP&L" or the "Company") has filed an application (the "Application") with the Commission proposing an increase in the Environmental Surcharge Rider ("ESR") from a positive surcharge of \$0.00013 per ccf to \$0.00021 per ccf for all firm

delivery customers, with the increased rate to become effective with usage on and after November 1, 2012, with proration, subject to modification and refund after an evidentiary hearing.

For a typical residential space heating customer using 120 ccf of gas in a winter month, the effect of the proposed ESR rate change will be an increase in the monthly winter bill of approximately 1 cent (0.01%).

By Order No. 8218 dated September 18, 2012, the Commission permitted the proposed rates to become effective with usage on and after November 1, 2012, with proration, subject to modification and refund after an evidentiary hearing.

On November 5, 2012 at 1:00 p.m., the Commission will consider whether to grant Delmarva's Application. The evidentiary hearing will be held at the Commission's office located at 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, Delaware 19904. The Commission will render a decision based upon the evidence presented to it at this evidentiary hearing.

The Commission encourages the public to submit written comments on or before October 16, 2012, but the last date to submit written comments will be on **October 31, 2012**. Please send these written comments to the Commission's address listed above and note the "attention to" as "PSC Docket No. 12-420."

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to

intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before Tuesday, October 2, 2012**. All such petitions should be sent to the Commission's address listed above with attention to "PSC Docket No.12-420." Petitions for intervention that are not received by the Commission **on or before October 2, 2012**, will not be granted unless good cause is shown. If intervention status is granted, any intervenor wishing to oppose the Application must file written pre-filed testimony with the Commission on or before **October 16, 2012**. Any submissions sent by an intervenor that are not received by the Commission **on or before October 16, 2012**, will not be considered. Such written submissions shall also be served on the persons identified in Order No. 8218 in this docket.

You are invited to review Delmarva's Application and supporting documents to determine how your interests may be affected. You may review documents posted on the Commission's website at <http://dep.sc.delaware.gov/default.shtml>. If you would like to review documents at the Commission's offices, please contact Monica Hall at [monica.hall@state.de.us](mailto:monica.hall@state.de.us) to arrange a time for your review. You may also review copies of the Company's Application and supporting documents at the office of the Division of the Public Advocate located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location.



If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at <http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS>. There is also a link to the Freedom of Information Act Request Form on the Commission's website at <http://depsc.delaware.gov/default.shtml>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to Malika Davis at [malika.davis@state.de.us](mailto:malika.davis@state.de.us).