

**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. 11-528
RATES AND MISCELLANEOUS TARIFF)
CHANGES (FILED DECEMBER 2, 2011))

ORDER NO. 8266

AND NOW, this 18th day of December, 2012:

WHEREAS, on November 2, 2012, Delmarva Power & Light Company ("Delmarva" or the "Company") made a compliance filing with the Delaware Public Service Commission (the "Commission") (the "Compliance Filing") seeking approval of rates that would recover the revenue requirements associated with 20% of the AMI Regulatory Asset as agreed to in the Settlement Agreement approved by the Commission (See, Section II, paragraph 16 of the Settlement Agreement attached as Exhibit B to Order No. 8265); and

WHEREAS, the Compliance Filing has been reviewed extensively by Staff, which recommended adjustments to it, and has issued a report dated December 11, 2012, addressing, among other items, the amount of depreciation included in the Automated Meter Infrastructure ("AMI") Regulatory Asset associated with older analog meters, having been filed and considered by the Commission; and

WHEREAS, Delmarva agreed to the adjustments recommended by Staff and on December 12, 2012, made an Amended Compliance Filing incorporating Staff's recommended adjustments.

WHEREAS, the rates reviewed and approved by the Staff as reflected in the Amended Compliance Filing would increase Delmarva's base rates by \$1,152,791, which, when coupled with the Settlement revenues of \$22,000,000 previously approved by the Commission in this Docket (See Section II, paragraph 11 of the Settlement Agreement attached as Exhibit B to Order No. 8265) would provide for an increase in distribution revenues of \$23,152,791; and

WHEREAS, the Commission having considered Staff's report and the comments of Delmarva, the Division of Public Advocate and representatives of Staff supporting the proposed rates and tariff changes as just and reasonable and in the public interest;

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

1. That the Commission approves the Amended Compliance Filing, as recommended by Staff, and the proposed rates agreed to by the parties that reflect an additional revenue requirement for Delmarva of \$1,152,791 over the approved distribution Settlement rates of \$22,000,000, for a total of \$23,152,791 in new distribution revenues.

2. That the final rates will become effective with usage on or after January 1, 2013.

3. 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:

Chairman

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary