

**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. 13-348
ENVIRONMENTAL SURCHARGE RIDER RATE)
(FILED AUGUST 28, 2013))

ORDER NO. 8464

AND NOW, this 26th day of September, 2013, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on August 28, 2013, Delmarva Power & Light Company ("Delmarva") filed the above-captioned application (the "Application") with 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, Delmarva seeks to increase its current ESR rate from a positive surcharge of \$0.00021 per ccf to a positive surcharge rate of \$0.00059 per ccf for all firm delivery service customers; and

WHEREAS, pursuant to 26 *Del. C.* §§304(a) and 306(a)(2), upon the filing of a petition for a proposed change to any rate, the Commission may determine that a portion of such change shall become effective not later than 60 days after the filing of a petition on a temporary basis pending the final decision of the Commission;

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

1. Pursuant to 26 *Del. C.* §§304(a) and 306(a)(2) and the process set forth by the Commission in Order No. 6401 (April 20,

PSC Docket No. 13-348, Order No. 8464 Cont'd

2004), the proposed rate increase in the ESR rate from a positive surcharge of \$0.00021 per ccf to a positive surcharge rate of \$0.00059 per ccf for all firm delivery service customers is hereby permitted to become effective for gas usage on and after November 1, 2013, with proration and subject to refund pending further review and final decision by the Commission.

2. 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 **Thursday, November 21, 2013, starting at 1:00 p.m.** at 861 Silver Lake Boulevard, 1st Floor Hearing Room, Cannon Building, Dover, Delaware 19904.

3. As outlined in the form of Public Notice, interested persons or entities are afforded the opportunity to file written comments or objections to the proposed change in the ESR rate. Such written comments or objections must be filed **on or before October 17, 2013**. In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on November 21, 2013.

4. Pursuant to 26 Del. C. §502 and 29 Del. C. ch. 101, the Commission designates Hearing Examiner Mark Lawrence for the sole purpose of considering any petitions for intervention that may be filed in this docket.

5. Delmarva 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 **October 3 and October 7, 2013**. Proof of such publication is to be provided to the Commission as soon as practical but not later than the commencement of the evidentiary hearing concerning this matter.

6. The deadline for intervention pursuant to *26 Del. Admin C. §1001-2.9* shall be **October 14, 2013**. Petitions for intervention that are not received by the Commission **on or before October 14, 2013**, 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 **Monday, October 28, 2013**. Copies of such testimony must also be served on the following persons:

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PSC Docket No. 13-348, Order No. 8464 Cont'd

Any written pre-filed testimony sent by an intervenor that is not received by the Commission **on or before October 28, 2013**, will not be considered.

7. Delmarva 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).

8. 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:

Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary

E X H I B I T "A"

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

**UPDATE TO DELMARVA POWER & 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 & Time</u>	<u>Location</u>
Thursday, November 21, 2013 at 1:00 p.m.	Hearing Room Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building Dover, DE 19904

Delmarva Power & Light Company's Environmental Surcharge Rider Rate

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 ("Delmarva") has filed an application (the "Application") with the Commission proposing an increase in the Environmental Surcharge Rider ("ESR") from a positive surcharge of \$0.00021 per ccf to \$0.00059 per ccf for all firm delivery customers, with the increased rate to become effective with usage on and after

November 1, 2013, 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 5 cents or a 0.1% increase in their total bill. Commercial and industrial customers will see an increase varying from 0.03% to 0.05% depending on usage.

By **Order No. 8464** dated September 26, 2013, the Commission permitted the proposed rates to become effective with usage on and after November 1, 2013, with proration, subject to modification and refund after an evidentiary hearing.

On November 21, 2013, starting 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.

Interested persons or entities are afforded the opportunity to file written comments or objections to the proposed change in the ESR rate. Such written comments or objections must be filed **on or before October 17, 2013**. Please send these written comments to the Commission's address listed above and note the "attention to" as "PSC Docket No. 13-348." Written comments may also be sent electronically to psc@state.de.us and should include "PSC Docket No. 13-348" as the subject line.

In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on November 19, 2013.

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 Monday, October 14, 2013**. All such petitions should be sent to the Commission's address listed above with attention to "PSC Docket No.13-348." Petitions for intervention that are not received by the Commission **on or before October 14, 2013**, 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 28, 2013**. Any submissions sent by an intervenor that are not received by the Commission **on or before October 28, 2013**, will not be considered. Such written submissions shall also be served on the persons identified in **Order No. 8464** 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 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://depssc.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 psc@state.de.us; include "PSC Docket No. 13-348" as the subject.