


**STATE OF DELAWARE  
PUBLIC SERVICE COMMISSION**

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December 17, 2013

MEMORANDUM

TO: Members of the Commission  
FROM: Toni Loper, Public Utilities Analyst   
SUBJECT: COMPLIANCE FILING IN THE MATTER OF THE APPLICATION OF DELMARVA  
POWER & LIGHT COMPANY FOR APPROVAL OF QUALIFIED FUEL CELL  
PROVIDER PROJECT TARIFFS (FILED November 27, 2013) –  
PSC DOCKET NO. 13-76-11

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On July 7, 2011, the Governor of the State of Delaware signed into law Amendments (the “Amendments”) to the Renewable Energy Portfolio Standards Act (the “REPSA”) that added Delaware-manufactured fuel cells to the REPSA and allowed energy output from such fuel cells to be considered a resource eligible to fulfill a portion of a Delaware Public Service Commission-regulated electric company’s renewable energy credit requirements under REPSA.

The Amendments created a regulatory framework whereby the Commission-regulated electric company, Delmarva Power & Light Company (“Delmarva”), and the Qualified Fuel Cell Provider (“QFCP”)<sup>1</sup> will jointly submit tariffs that enable and obligate Delmarva, as the agent for collection and disbursement, to collect from its customers a non-bypassable charge (“QFCP-RC Charge”) for costs incurred for incremental site preparation, filing, administrative and other costs incurred by the QFCP. The QFCP-RC Charge is reduced by compensation to the Qualified Fuel Cell Provider Project (“QFCPP”) for any revenues received from PJM or its successors at law from the output of the QFCPP.

On August 19, 2011, in PSC Docket No. 11-362, Delmarva filed an application for approval of a new electric tariff for Service Classification QFCP-RC (“Electric Tariff”) and a new gas tariff for Service Classification LVG-QFCP-RC pursuant to the Amendments. On October 18, 2011, the Commission issued Order No. 8062 which approved this tariff filing. On December 1, 2011, the Commission signed Order No. 8079, which, among other things, adopted Order No. 8062. Pursuant to the Electric Tariff, Delmarva is serving in its mandatory role as a collection agent for the QFCP. In compliance with the Electric Tariff, Delmarva will provide monthly filings to account for the varying QFCP-RC Charge.

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<sup>1</sup> All references to capitalized terms are set forth in 26 Del. C. §352.

On April 2, 2012, Delmarva submitted its first monthly filing ("Compliance Filing") as required by its Commission-approved Electric Tariff filed in PSC Docket No. 11-362. By Order No. 8136, the Commission permitted the May 2012 QFCP-RC Charge to take effect and required Delmarva to provide to Staff, with each future Compliance Filing under the REPSA, all documents that Staff requested from Delmarva as part of its review of the prior Compliance Filing.

On November 27, 2013, Delmarva submitted its twenty-first Compliance Filing, including the typical charges and calculations. In addition, the reconciliation factors (true-ups) of the October billing revenues, October PJM energy revenues, and October operational costs were included in the QFCP-RC Charge. Staff notes that the calculation error from the previous month's filing (the September true-up) for the Gas Monthly Fixed Cost projected for January 2014 was corrected. The rates for each customer classification are provided below:

<b>January 2014 QFCP-RC Charge</b>		
<b>Service Classification</b>	<b>\$ per kWh</b>	<b>Change from Previous Month</b>
Residential	\$ 0.003888	\$ (0.000157)
Residential – Space Heating	\$ 0.003888	\$ (0.000157)
Residential Time-of-Use "R-TOU"	\$ 0.003888	\$ (0.000157)
Residential Time-of-Use NON-Demand "R-TOU-ND"	\$ 0.003888	\$ (0.000157)
Small General Service - Secondary Non-Demand "SGS-ND"	\$ 0.003888	\$ (0.000157)
Space Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.003888	\$ (0.000157)
Water Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.003888	\$ (0.000157)
Outdoor Recreational Lighting Svc - Secondary "ORL"	\$ 0.003888	\$ (0.000157)
Medium General Service - Secondary "MGS-S"	\$ 0.003888	\$ (0.000157)
Large General Service - Secondary "LGS-S"	\$ 0.003888	\$ (0.000157)
General Service - Primary "GS-P"	\$ 0.003802	\$ (0.000154)
General Service - Transmission "GS-T"	\$ 0.003735	\$ (0.000151)
Outdoor Lighting PL	\$ 0.003888	\$ (0.000157)
Outdoor Lighting SL	\$ 0.003888	\$ (0.000157)

26 Del. C. §364 (d) (4) provides as follows: "Notwithstanding § 306 of this title or any other provision of the Delaware Code to the contrary, any changes in rates or charges necessary to collect funds for disbursements or costs addressed in subsections (a)-(c) of this section through adjustable non-bypassable charges shall become effective 30 days after filing, absent a determination of manifest error by the Public Service Commission. The Commission may allow changes in rates or charges related to such adjustable non-bypassable charges to become effective less than 30 days after filing under such conditions as it may prescribe."

Delmarva has developed communications on renewable energy and alternative energy, including bill inserts and talking points for Delmarva call center employees. Detailed information on the Qualified Fuel Cell Provider Project can be found in Delmarva's Electric Tariff (QFCP-RC Leaf No. 74 -74r).

Staff performed a review of the calculations and the QFCP-RC Charge provided in the Compliance Filing dated November 27, 2013, and could not find any manifest errors at this time. Staff therefore recommends that the January 2014 QFCP-RC Charge be permitted to take effect for bills issued by Delmarva to its customers between December 30, 2013, and January 27, 2014.

**Attachment A: QFCP-RC Charge - All Months**

# Attachment A

## QFCP-RC Charge-All Months

Service Classification	May-12*	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12**	Dec-12
	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh
Residential	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Residential- Space Heating	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Residential Time-of-Use "R-TOU"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Residential Time-of-Use NON-Demand "R-TOU-ND"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Small General Service - Secondary Non-Demand "SGS-ND"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Space Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Water Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Outdoor Recreational Lighting Svc - Secondary "ORL"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Medium General Service - Secondary "MGS-S"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Large General Service - Secondary "LGS-S"	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
General Service - Primary "GS-P"	\$ 0.00139	\$ 0.000656	\$ 0.000601	\$ 0.000591	\$ 0.000805	\$ 0.000657	\$ 0.001058	\$ 0.001287
General Service - Transmission "GS-T"	\$ 0.00137	\$ 0.000644	\$ 0.000590	\$ 0.000580	\$ 0.000791	\$ 0.000645	\$ 0.001039	\$ 0.001264
Outdoor Lighting PL	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316
Outdoor Lighting SL	\$ 0.00143	\$ 0.000671	\$ 0.000614	\$ 0.000604	\$ 0.000823	\$ 0.000671	\$ 0.001082	\$ 0.001316

\* May QFCP-RC charges were based on 6 days of operation.  
 \*\* 5.8 MW at Red Lion came on line in mid-December.

Service Classification	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh	\$ per kWh
Residential	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Residential- Space Heating	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Residential Time-of-Use "R-TOU"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Residential Time-of-Use NON-Demand "R-TOU-ND"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Small General Service - Secondary Non-Demand "SGS-ND"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Space Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Water Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Outdoor Recreational Lighting Svc - Secondary "ORL"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Medium General Service - Secondary "MGS-S"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Large General Service - Secondary "LGS-S"	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
General Service - Primary "GS-P"	\$ 0.001096	\$ 0.001197	\$ 0.001434	\$ 0.001703	\$ 0.001579	\$ 0.001902	\$ 0.002029	\$ 0.002408	\$ 0.003746	\$ 0.003893	\$ 0.004276	\$ 0.003956
General Service - Transmission "GS-T"	\$ 0.001077	\$ 0.001176	\$ 0.001409	\$ 0.001673	\$ 0.001551	\$ 0.001888	\$ 0.001993	\$ 0.002365	\$ 0.003680	\$ 0.003824	\$ 0.004200	\$ 0.003886
Outdoor Lighting PL	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045
Outdoor Lighting SL	\$ 0.001121	\$ 0.001224	\$ 0.001466	\$ 0.001741	\$ 0.001615	\$ 0.001945	\$ 0.002074	\$ 0.002462	\$ 0.003830	\$ 0.003980	\$ 0.004372	\$ 0.004045

Service Classification	Jan-14
	\$ per kWh
Residential	\$ 0.003888
Residential- Space Heating	\$ 0.003888
Residential Time-of-Use "R-TOU"	\$ 0.003888
Residential Time-of-Use NON-Demand "R-TOU-ND"	\$ 0.003888
Small General Service - Secondary Non-Demand "SGS-ND"	\$ 0.003888
Space Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.003888
Water Heating Secondary Service "SGS-ND" and "MGS-S"	\$ 0.003888
Outdoor Recreational Lighting Svc - Secondary "ORL"	\$ 0.003888
Medium General Service - Secondary "MGS-S"	\$ 0.003888
Large General Service - Secondary "LGS-S"	\$ 0.003888
General Service - Primary "GS-P"	\$ 0.003735
General Service - Transmission "GS-T"	\$ 0.003888
Outdoor Lighting PL	\$ 0.003888
Outdoor Lighting SL	\$ 0.003888

# Attachment A

## QFCP-RC Charge-All Months

