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March 23, 2018

Filed Via Delafile

Donna Nickerson
Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904

Re: In the Matter of the Adoption of Rules and Regulations to Implement the Provisions of 26 Del. C. Ch. 10 Relating to the Creation of a Competitive Market for Retail Electric Supply Service (Opened April 27, 1999; Reopened January 7, 2003; Reopened September 22, 2009; Reopened September 7, 2010; Reopened July 17, 2012; Reopened April 15, 2014), PSC Regulation Docket 49 – Application of Delmarva Power & Light Company Requesting a One Month Extension of the Existing Waiver of the Provisions of Section 4.8 of the Electric Supplier Regulations

Dear Secretary Nickerson:

Attached for filing with the Commission in the above-referenced docket is Delmarva Power & Light Company's Application Requesting a One Month Extension of the Existing Waiver of the Provisions of Section 4.8 of the Electric Supplier Regulations.

Delmarva Power & Light Company respectfully requests that this matter be placed on the agenda for the Commission's regularly scheduled meeting on March 27, 2018.

Should you have any questions, please do not hesitate to contact me at 302-429-3143.

Very truly yours,



Lindsay B. Orr (Del. I.D. 5321)

Attachments

cc: Service List (w/ attachments)

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

**IN THE MATTER OF THE ADOPTION OF)
RULES AND REGULATIONS TO)
IMPLEMENT THE PROVISIONS OF)
26 DEL. C. CH. 10 RELATING TO THE)
CREATION OF A COMPETITIVE MARKET)
FOR RETAIL ELECTRIC SUPPLY SERVICE)
(OPENED APRIL 27, 1999; REOPENED)
JANUARY 7, 2003; REOPENED SEPTEMBER)
22, 2009; REOPENED SEPTEMBER 7, 2010;)
REOPENED JULY 17, 2012; REOPENED)
APRIL 15, 2014))**

PSC REGULATION DOCKET 49

**APPLICATION OF DELMARVA POWER & LIGHT COMPANY REQUESTING A
ONE MONTH EXTENSION OF THE EXISTING WAIVER OF THE PROVISIONS OF
SECTION 4.8 OF THE ELECTRIC SUPPLIER REGULATIONS**

Delaware Power & Light Company (“Delmarva Power” or the “Company”), through its undersigned counsel, hereby submits this request for a one (1) month extension (the “Extension”) to the existing waiver (the “Waiver”) from the provisions of Section 4.8 of the Delaware Public Service Commission Electric Supplier Regulations found at 26 *Del. Admin. C.* 3001 (the “Regulations”) that was granted by this Commission through Order No. 9104 on August 22, 2017. In support of its request for an Extension, Delmarva Power states as follows:

1. On February 2, 2017, pursuant to Order No. 9020 in this docket, the Delaware Public Service Commission (the “Commission”) approved amendments to the Regulations which were published as final on April 1, 2017, and became effective April 11, 2017.

2. As part of the amendments to the Regulations, the Commission approved revisions to the provisions of 26 *Del. Admin. C.* 3001 § 4.0 titled “Enrollments and Drops, Accelerated Switching.” Specifically, 26 *Del. Admin. C.* 3001 § 4.8 provides as follows:

The provisions of this Section 4.0 shall be implemented on or before September 30, 2017. An EDC may request a waiver to extend that date for an amount of time deemed reasonable by the Commission.

3. On August 8, 2017, Delmarva Power requested a Waiver of the Section 4.0 September 30, 2017 due date with respect to a small subset of Delmarva Power customers. The customers in question were approximately 2,600 Net Energy Metering (“NEM”) customers and approximately 700 MV90, non-BE customers (i.e., customers classified as General Service Primary or Large General Service Secondary) for a total of approximately 3,300 customers (collectively, the “Impacted Customers”). The reason that the Waiver was needed was because Delmarva Power was in the process of building the complex functionality within its billing system in order to support these customer segments for Maryland and it would have increased the risk of system problems and billing errors for this subset of customers if conversion and testing of both Maryland and Delaware customers was attempted at the same time. At the time Delmarva Power submitted its Waiver request, it believed that the additional time it requested would be sufficient for it to review any unique circumstances with the tariffs in Delaware, add programming logic to support such circumstances, and then test the changes and convert the accounts.

4. In the interim, the subset of impacted customers have continued to be switched to a third party supplier on a meter read date, but with shortened lead days for switching from fifteen (15) calendar days to three (3) business days.

5. The Waiver granted by the Commission extended the deadline set forth in 26 *Del. Admin. C.* 3001 § 4.8 for the Impacted Customers to March 31, 2018.

6. Despite exercising due diligence to complete the research, programming, and testing by the March 31st deadline, more time is needed for Delmarva Power to be comfortable that the subset of customers subject to the Waiver will not be negatively impacted by billing errors. As Delmarva Power designed and tested various NEM scenarios, it encountered difficulty due to the complexity of handling of excess generation and how to programmatically determine the carried forward, billed, and cashed out amount for NEM accounts. The design is especially complicated when there are multiple supplier changes and price changes during the billing period. Due to the complications involved, Delmarva Power was not able to complete successful unit testing of these scenarios to date, and is requesting an extension until May 1, 2018. This brief extension will allow Delmarva Power to perform complete unit testing as well as regression testing to ensure other account scenarios remain unaffected. Delmarva Power has largely completed testing on one subset of customers subject to the waiver, but due to the need to perform comprehensive testing after all changes are complete, Delmarva Power is requesting an extension for both components of the waiver.

7. Delmarva Power is confident that an Extension of the Waiver until May 1, 2018 will enable Delmarva Power to complete the remaining programming and testing work so that the subset of customers will be unlikely to experience any significant billing issues. The other parties in this docket, Delaware Public Service Commission Staff, the Division of the Public Advocate and the Retail Energy Supply Association, have been notified of this Extension request, and none of them expressed any opposition to the Extension.

8. Delmarva Power respectfully requests that this Extension be addressed at the Commission's regularly scheduled meeting on March 27, 2018.

WHEREFORE, for the foregoing reasons, Delmarva Power respectfully requests that the Extension to the Waiver be approved.

Respectfully submitted,



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March 23, 2018

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

**IN THE MATTER OF THE ADOPTION OF)
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PSC REGULATION DOCKET 49

CERTIFICATE OF SERVICE

I, Lindsay B. Orr, hereby certify that on March 23, 2018, I caused a copy of the attached APPLICATION OF DELMARVA POWER & LIGHT COMPANY REQUESTING A ONE MONTH EXTENSION OF THE EXISTING WAIVER OF THE PROVISIONS OF SECTION 4.8 OF THE ELECTRIC SUPPLIER REGULATIONS to be filed with the Delaware Public Service Commission using Delafile and to be served on the following persons via electronic mail:

| | |
|----------------------------|------------------------------|
| Matthew Hartigan | matthew.hartigan@state.de.us |
| Connie McDowell | Connie.mcdowell@state .de.us |
| James McC. Geddes, Esquire | jamesgeddes@mac.com |
| Andrew Slater | Andrew.slater@state.de.us |
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| Brian R. Greene | BGreene@GreeneHurlocker.com |



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Dated: March 23, 2018

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE ADOPTION OF)
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APRIL 15, 2014))

PSC REGULATION DOCKET 49

ORDER NO. 9198

AND NOW, to-wit, this 27th day of March, A.D., 2018, Delmarva Power & Light Company, having, on March 23, 2018 filed the above-captioned Application with the Commission seeking a one-month extension to the existing waiver from the provisions of 26 *Del. Admin. C. 3001 § 4.8* pertaining to approximately 3,300 Delmarva Power customers so that accelerated switching for this subset of customers can be implemented on or before May 1, 2018;

AND, the Commission having determined, that an extension of the existing waiver is reasonable and should be permitted;

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

1. That Delmarva Power's request for an extension to the existing waiver of the provisions of 26 *Del. Admin. C. 3001 § 4.8* pertaining to approximately 3,300 customers so that accelerated switching is in place no later than May 1, 2018 is hereby approved.

2. 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

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

ATTEST:

SECRETARY