

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. 18-1050
ENVIRONMENTAL SURCHARGE RIDER RATE)
(FILED AUGUST 24, 2018))

ORDER NO. 9274

AND NOW, this 25th day of September, 2018, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on August 24, 2018, Delmarva Power & Light Company ("Delmarva") filed the above-captioned application (the "Application") with the Commission seeking approval to decrease 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;

WHEREAS, in its Application, Delmarva seeks to decrease its current ESR rate from a positive surcharge of \$0.00160 per ccf to a positive surcharge rate of \$0.00107 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 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, 2004), the proposed rate decrease in the ESR rate from a positive surcharge of \$0.00160 per ccf to a positive surcharge rate of \$0.00107 per ccf or \$0.01599 per mcf to \$0.01070 per mcf for all firm delivery service customers is hereby permitted to become effective for gas usage on and after November 1, 2018, 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 **November 8, 2018, 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 18, 2018**. In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on November 8, 2018.

4. Pursuant to 26 *Del. C.* §502 and 29 *Del. C.* ch. 101, the Commission designates Senior 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 2, 2018**. 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 **Thursday, October 11, 2018**. Petitions for intervention that are not received by the Commission **on or before October 11, 2018** 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 **Thursday, October 18, 2018**. Copies of such testimony must also be served on the following persons:

Mark Lawrence Senior Hearing Examiner Delaware Public Service Commission 861 Silver Lake Blvd. Suite 100 Dover, DE 19904 (302) 736-7540 mark.lawrence@state.de.us	Robert Willard, Esquire Deputy Attorney General Delaware Public Service Commission 861 Silver Lake Blvd. Suite 100 Dover, DE 19904 (302) 577-8400 (302) 736-7510 Robert.Willard@state.de.us
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<p>Malika Davis Public Utility Analyst Delaware Public Service Commission 861 Silver Lake Blvd. Suite 100 Dover, DE 19904 (302) 736-7521 malika.davis@state.de.us</p>	<p>Connie McDowell Sr. Regulatory Policy Administrator Delaware Public Service Commission 861 Silver Lake Blvd. Suite 100 Dover, DE 19904 (302) 736-7535 connie.mcdowell@state.de.us</p>
<p>Regina A. Iorii, Esquire Deputy Attorney General Division of the Public Advocate 820 N. French Street, 4th Floor Wilmington, DE 19801 (302) 577-8159 regina.iorii@state.de.us</p>	<p>Andrea B. Maucher Public Utility Analyst Division of the Public Advocate 29 South State Street Dover DE 19901 (302)241-2545 andrea.maucher@state.de.us</p>
<p>Andrew Slater Public Advocate Division of the Public Advocate 29 South State Street Dover, DE 19901 (302) 241-2550 andrew.slater@state.de.us</p>	<p>Ruth Ann Price Public Advocate Division of the Public Advocate 820 N. French St., 4th Floor, Wilmington 19801 (302) 577-5014. ruth.price@state.de.us</p>
<p>Lindsay B. Orr, Esq. Assistant 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 (302)429-3143 lindsay.orr@exeloncorp.com</p>	<p>Brian Talley Manager Revenue Performance Delmarva Power & Light Co. 500 North Wakefield Dr. Newark, DE 19702 or P.O. Box 6066 Mail Stop:92DC56 Newark, DE 19714 (302)451-5328 brian.talley@pepcoholdings.com</p>
<p>Leonard J. Beck Regulatory Affairs Delmarva Power & Light Company 500 North Wakefield Dr. Newark DE, 19702 or P.O. Box 6066 Mail Stop: 92DC56 Newark, DE 19714 (302) 451-5276 len.beck@pepcoholdings.com</p>	

Any written pre-filed testimony sent by an intervenor that is not received by the Commission **on or before Thursday, October 18, 2018**, will not be considered

7. Delmarva is hereby put on notice that it will be charged the costs incurred by the Commission Staff and the Division of the Public Advocate 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:

Chairman

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

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 8, 2018 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 a decrease in the Environmental Surcharge Rider ("ESR") from a

positive surcharge of \$0.00160 per ccf to \$0.00107 per ccf or \$0.01599 per mcf to \$0.01070 per mcf for all firm delivery customers, with the decreased rate to become effective with usage on and after November 1, 2018, with proration, subject to modification and refund after an evidentiary hearing.

For a typical residential space heating customer using 83 ccf of gas in a winter month, the effect of the proposed ESR rate change will be a decrease in the monthly winter bill of approximately \$0.04. The effect of the decrease on commercial and industrial customers will depend on their usage.

By **Order No. 9274** dated September 25, 2018, the Commission permitted the proposed rates to become effective with usage on and after November 1, 2018, with proration, subject to modification and refund after an evidentiary hearing.

On **November 08, 2018, 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 18, 2018**. Please send these written comments to the Commission's address listed above and note the "attention to" as "PSC Docket No. 18-1050." Written comments may be also be

submitted electronically at <https://delafile.delaware.gov/Complaints/AddPublicComments.aspx>.

In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on November 8, 2018.

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 October 11, 2018**. All such petitions should be sent to the Commission's address listed above with attention to "PSC Docket No.18-1050." Petitions for intervention that are not received by the Commission **on or before October 11, 2018**, 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 18, 2018**. Any submissions sent by an intervenor that are not received by the Commission **on or before October 18, 2018** will not be considered. Such written submissions shall also be served on the persons identified in **Order No. 9274** in this docket.

You may review documents pertaining to this matter on the Commission's e-filing website at <https://delafile.delaware.gov>. If you would like to review the documents related to this matter at the Commission's office, please contact Donna

Nickerson at donna.nickerson@state.de.us to arrange a time for your review during normal business hours. You may also review copies of these documents at the Wilmington office of the Division of the Public Advocate located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, DE 19801 or the Dover office located at 29 S. State Street, Dover, DE 19901. Please call the Wilmington office at (302) 577-5077 or the Dover office at (302) 241-2555 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://delaware.gov/help/foia_request.shtml?subj=DOS. The Commission will respond to your request in accordance with the provisions of the 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. 18-1050" as the subject.

