

Lindsay B. Orr
Assistant General Counsel

302.429.3143 – Telephone
302.429.3801 – Facsimile

U.S. Mail
92DC42
PO Box 6066
Newark, DE 19714-6066

lindsay.orr@exeloncorp.com

All other deliveries
92DC42
500 N. Wakefield Drive
Newark, DE 19702

August 24, 2018

FILED VIA DELAFILE

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

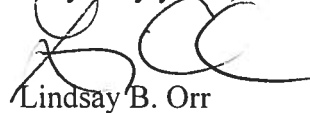
Re: Application for Approval of the 2018-19 Environmental Surcharge Rate

Dear Secretary Nickerson:

Enclosed for filing is Delmarva Power & Light Company's Application for Approval of the 2018-19 Environmental Surcharge Rate. Included with the Application is the filing fee of \$100.00.

Should you have any questions or require any additional information, please do not hesitate to contact me.

Very truly yours,



Lindsay B. Orr
Delaware State Bar Id. #5321

Enclosures

cc: Connie McDowell (w/enclosures)
Malika Davis (w/enclosures)
Robert Willard, Esquire (w/enclosures)
Andrew Slater (w/enclosures)
Regina Iorii, Esquire (w/enclosures)
Len Beck (w/enclosures)
Brian Talley (w/enclosures)

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
DELMARVA POWER & LIGHT COMPANY FOR AN) Docket No. 18-__
ANNUAL UPDATE IN THE GAS ENVIRONMENTAL)
SURCHARGE RIDER RATE)
(FILED AUGUST 24, 2018))

**DELMARVA POWER & LIGHT COMPANY'S APPLICATION
FOR AN UPDATE TO THE GAS ENVIRONMENTAL SURCHARGE RIDER**

Delmarva Power & Light Company (“Delmarva” or the “Company”) hereby files the annual Application for Approval to update its Gas Environmental Surcharge Rider (“ESR”) rates pursuant to 26 *Del. C.* §§ 201, 301, 304 and other applicable authorities, including Order No. 6401 in Docket No. 04-53, entered April 20, 2004, to be effective for service rendered on and after November 1, 2018. In support hereof, Delmarva submits the following:

1. Applicant is Delmarva Power & Light Company, 500 North Wakefield Drive, Newark, DE 19702. Delmarva is a wholly owned subsidiary of Pepco Holdings (PH).
2. Delmarva requests that all communications and notices with respect to this proceeding be made (preferably electronically only) to the following and these individuals be put on the official service list of this proceeding:

Lindsay B. Orr, Esquire
Delmarva Power & Light Company
Assistant General Counsel
500 North Wakefield Drive
Newark, DE 19702
(Private Mail Service) or
P. O. Box 6066
Mail Stop: 92DC42
Newark, DE 19714-6066
(302) 429-3143
Lindsay.Orr@exeloncorp.com

Brian P. Talley
Delmarva Power & Light Company
Manager Revenue Performance
500 North Wakefield Drive
Newark, DE 19702
(Private Mail Service) or
P.O. Box 6066
Mail Stop: 92DC56
Newark, DE 19714-6066
(302) 451-5328
brian.talley@pepcoholdings.com

Leonard J. Beck
Delmarva Power & Light Company
Senior Analyst, Regulatory Affairs
500 North Wakefield Drive
Newark, DE 19702
(Private Mail Service) or
P.O. Box 6066
Mail Stop: 92DC56
Newark, DE 19714-6066
(302) 451-5276
Len.beck@pepcoholdings.com

3. Pursuant to the provisions of Delmarva's Environmental Surcharge Rider tariff clause, the Company requests permission to decrease its current Environmental Surcharge Rider 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. This rate decrease is proposed to become effective for service rendered on and after November 1, 2018 through June 30, 2019, unless changed by further order of the Delaware Public Service Commission (the "Commission").

4. The current Gas Tariff specifies that "the Company will file with the Commission a copy of the Environmental Surcharge Rider computation at least thirty (30) days prior to the proposed effective date of November 1."

5. Revised tariff leafs and red-line versions setting forth the proposed changes are attached to this Application. Consistent with the approved mechanism established in Docket No. 04-53, Delmarva requests that the Commission permit the proposed changes in ESR rates and the proposed surcharge to become effective for service rendered on and after November 1, 2018, with proration, subject to refund after Commission review.

6. The attached testimony describes the full calculation of the proposed ESR to be effective November 1, 2018. The reasons and basis for the proposed decrease in the ESR rate are more fully explained in the testimony of Leonard J. Beck.

7. For a typical space heating residential customer using 83 ccf of gas in a winter month, the effects of the proposed Gas Environmental Surcharge Rider Rate change will be a decrease in the monthly winter bill of about \$0.04.


8. A proposed form of order is attached.

WHEREFORE, Delmarva Power & Light Company respectfully requests that:

- A. The Commission accept its Application for filing and schedule a hearing thereon; and
- B. The Commission issue an order permitting the rates to go into effect on November 1, 2018, with proration, subject to further proceedings and potential refunds; and
- C. Proper notice of the hearing be published; and
- D. The Commission ultimately approve the proposed rates reflected in the Tariff Leafs as filed by the Company.

Respectfully submitted,

By:



Lindsay B. Orr (No. 5321)
Assistant General Counsel
Delmarva Power & Light Company
500 North Wakefield Drive
Mailstop 92DC42
Newark, DE 19702
(302) 429-3143
Lindsay.Orr@exeloncorp.com

Dated: August 24, 2018

STATE OF DELAWARE)
)
COUNTY OF NEW CASTLE)


SS.

On this 17th day of August, 2018, personally came before me, the subscriber, a Notary Public in and for the State and County aforesaid Gary R Stockbridge, Vice President of Delmarva Power & Light Company, a corporation existing under the laws of the State of Delaware, party to this Application, known to me personally to be such, and acknowledged this Application to be his act and deed and the act and deed of such corporation, that the signature of such Vice President is in his own proper handwriting, and that the facts set forth in this Application are true and correct to the best of his knowledge and belief.



Gary R Stockbridge
Vice President

SWORN TO AND SUBSCRIBED before me this 17th day of August 2018.



Notary Public
My Commission expires: _____



**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-____
ENVIRONMENTAL SURCHARGE RIDER RATE)
(FILED AUGUST 24, 2018))

ORDER NO. _____

AND NOW, this ____ day of _____, 2018, the Delaware Public Service Commission (the “Commission”) determines and orders the following:

WHEREAS, on August 24, 2018, Delmarva Power & Light Company (“Delmarva” or the “Company”) 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 (Apr. 20, 2004) in Docket No. 04-53; and

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 gas 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; and

**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 decrease in the 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 gas 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 _____, at ____ p.m. at 861 Silver Lake Boulevard, 1st Floor Hearing Room, Cannon Building, Dover, DE 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* _____, **2018**. In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on _____, **201**__.

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

5. Delmarva Power & Light Company 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 _____. 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 _____ . Petitions for intervention that are not received by the Commission **on or before** _____, **2018**, will not be granted unless good cause is shown. In addition, any intervenor wishing to oppose the Application must e-file written prefiled testimony with the Commission pursuant to the Rules of Practice and Procedure of the Commission (26 *Del. Admin C.* § 1001-6.4), on or before _____, 2018. Copies of such testimony must be served on the following persons:

<p>Robert Willard, Esquire Deputy Attorney General Public Service Commission 820 N. French Street Wilmington, DE 19801 (302) 577-8637 robert.willard@state.de.us</p>	<p>Regina A. Iorri, Esquire Deputy Attorney General Division of the Public Advocate 820 N. French Street 6th Floor Wilmington, DE 19801 (302) 577-8159 regina.iorri@state.de.us</p>
<p>Lindsay B. Orr, Esquire Delmarva Power & Light Company Assistant General Counsel 500 North Wakefield Drive Newark, DE 19702 (Private Mail Service) or P. O. Box 6066 Mail Stop: 92DC42 Newark, DE 19714-6066 (302) 429-3143 Lindsay.Orr@exeloncorp.com</p>	<p>Malika Davis 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 Delaware Public Service Commission 861 Silver Lake Blvd., Suite 100 Dover, DE 19904 (302) 736-7535 connie.mcdowell@state.de.us</p>	<p>Brian Talley Delmarva Power & Light Company Manager Revenue Performance 500 North Wakefield Drive Newark, DE 19702 (Private Mail Service) or P.O. Box 6066 Mail Stop: 92DC56 Newark, DE 19714-6066 (302) 451-5328 brian.talley@pepcoholdings.com</p>
<p>Leonard J. Beck Delmarva Power & Light Company Senior Analyst, Regulatory Affairs 500 North Wakefield Drive Newark, DE 19702 (Private Mail Service) or P.O. Box 6066 Mail Stop: 92DC56 Newark, DE 19714-6066 (302) 451-5276 Len.beck@pepcoholdings.com</p>	<p>Andrew Slater Public Advocate 29 South State Street Dover, DE 19901 (302) 241-2550 andrew.slater@state.de.us</p>

Any written pre-filed testimony sent by an intervenor that is not received by the Commission **on**
or before _____, **2018** shall not be considered.

7. Delmarva Power & Light Company 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:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Donna Nickerson
Secretary

EXHIBIT "A"

**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-____
ENVIRONMENTAL SURCHARGE RIDER RATE)
(FILED AUGUST 24, 2018))

PUBLIC NOTICE

**OF UPDATE TO DELMARVA POWER AND 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:

Date & Time

Location

**Hearing Room
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building
Dover, DE 19904**

DP&L's Environmental Surcharge Rider Rate, PSC Docket No. 18-

Pursuant to the environmental remediation recovery mechanism approved in PSC Order No. 6401 (Apr. 20, 2004), in Docket No. 04-53, Delmarva Power & Light Company ("Delmarva" or the "Company") 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 a positive surcharge rate of \$0.00107 per ccf for all firm delivery gas service 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 of \$0.04 on the monthly winter bill. The effect of the decrease on commercial and industrial customers will depend on their usage.

By Order No. _____ dated _____, 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 _____, 201_, 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* _____, 2018. Please send these written comments to the Commission's address listed above and note the "attention to" as "PSC Docket No. 18-_____." Written comments may also be submitted electronically at <https://delafile@state.delaware.gov/>.

In addition, the Commission will accept public comments on the Application immediately prior to the commencement of the evidentiary hearing on _____, 201_.

If you wish to formally participate as a party in this docket, with the right to submit evidence and to be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in this docket in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin C. §1001-2.9) *on or before* _____, 2018. All such petitions should be e-filed according to the Rules. Petitions for intervention that are not received by the Commission *on or before* _____, 2018, will not be granted unless good cause is shown. Petitions received thereafter will not be considered except for good cause shown. If intervention status is granted, any intervenor wishing to oppose the Application shall file written prefiled testimony with the Commission *on or before* _____, 2018. Any submissions sent

by an intervenor that are not received by the Commission *on or before* _____, 2018 will not be considered. Such written submissions shall also be served on the persons identified in Order No. ____ in this docket dated _____.

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 <https://delafile@state.de.gov>. If you would like to review documents at the Commission's offices, please contact Donna Nickerson at donna.nickerson@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 29 South State Street, Dover, DE 19901. Please call (302) 241-2545 to arrange for a time to review the documents at that location.

If you wish to request copies of the 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 <https://delafile.delaware.gov>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 *Del. C. ch.* 100.

Any individual with a disability desiring to participate in these proceedings or to review the filings should contact the Commission to discuss any auxiliary aids or services needed. The Commission Staff can also provide additional information about this docket. 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_____" as the subject.

RATES AND CHARGES

CORE SALES RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>Residential Gas Sales Service (“RG”)</u>		
Customer Charge	\$13.18	per month
Delivery Charge	\$0.54930	per CCF
Space Heating Delivery Charge 1/ Over 50 CCF	\$0.44078	per CCF
Environmental Surcharge Rider	\$0.00107	per CCF
Gas Cost Rate (GCR)	\$0.50304	per CCF
<u>General Gas Sales Service (“GG”)</u>		
Customer Charge	\$54.26	per month
Delivery Charge		
First 750 CCF	\$0.36283	per CCF
Over 750 CCF	\$0.36283	per CCF
Environmental Surcharge Rider	\$0.00107	per CCF
Gas Cost Rate (GCR)	\$0.50304	per CCF
<u>Gas Lighting Sales Service (“GL”)</u>		
(Estimated Usage - 15 CCF per month)		
Monthly Charge	\$ 7.79	per gas light
Gas Cost Rate (GCR)	\$ 7.55	per gas light
<u>Medium Volume Gas Sales Service (“MVG”)</u>		
Customer Charge	\$818.63	per month
Demand Charge	\$ 17.775	per MCF of Billing MDQ
Delivery Charge 2/	\$0.55297	per MCF
Environmental Surcharge Rider	\$0.01070	per MCF
Gas Cost Rate (GCR)	\$5.0304	per MCF
<u>Large Volume Gas Sales Service (“LVG”)</u>		
Customer Charge	\$1,194.66	per month
Demand Charge	\$10.899	per MCF of Billing MDQ
Delivery Charge 2/	\$0.14106	per MCF
Environmental Surcharge Rider	\$0.01070	per MCF
Gas Demand Cost Rate(DCR)	\$1.9200	per MCF
Gas Commodity Cost Rate (CCR) 2/	Varies	per MCF

Public Utilities Tax: 4.25% applies to all non-residential services, including the GCR, unless pursuant to Title 30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2% Charged on all non-exempt services, in the City of Wilmington, including the GCR.

Utility Facility Relocation Charge

For applicability refer to Rider UFRC on Leaf No. 81

1/ Gas used by Customers with permanently installed gas-fired space heating equipment qualifies for the space heating delivery rate for all gas used in excess of 50 CCF for the billing months of October through May, inclusive.

2/ All LVG and “Electing” MVG Customers pay a monthly Gas Demand Cost Rate and a Commodity Cost Rate based upon the system Weighted Average Commodity Cost of Gas (“System WACCOG”). “Non-Electing” MVG Customers pay the annual GCR listed here.

Order No.
Docket No.

Filed: August 24, 2018
Effective with Usage On and After November 1, 2018

Proposed

Leaf No.: 37a

RATES AND CHARGES
CORE SALES RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>Large Volume Gas Sales Service-Qualified Fuel Cell Provider-Renewable Capable Power Production (“LVG-QFCP-RC”)</u>		
Customer Charge	\$1,272.81	per month
Demand Charge	\$7.596	per MCF of Billing MDQ
Capital Recovery Charge	Varies	per Customer’s Executed Service Agreement
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.01070	per MCF
Gas Cost Rate (GCR) Commodity Charge 1/	Varies	per MCF

Public Utilities Tax: 4.25% applies to all non-residential services, unless pursuant to Title 30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2% charged on all non-exempt services, in the City of Wilmington.

Utility Facility Relocation Charge For applicability refer to Rider UFRC on Leaf No. 81

- 1/ All LVG-QFCP-RC customers pay a Commodity Charge Rate based upon the Gas Daily Average (GDA) for Transco Zone 6 Non-New York North price plus any premiums incurred by the Company to provide this service.

Order No.
Docket No.

Filed: August 24, 2018
Effective with Usage On and After November 1, 2018

Proposed

Leaf No.: 38

RATES AND CHARGES

CORE TRANSPORTATION RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>General Volume Firm Transportation</u>		
<u>Service ("GVFT")</u>		
Customer Charge	\$189.07	per month
Delivery Charge		
First 750 CCF	\$0.36283	per CCF Redelivered
Over 750 CCF	\$0.36283	per CCF Redelivered
Pressure Support Fee	\$0.04095	per CCF Redelivered
Balancing Fee Non-Base Rate	\$0.06779	per CCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.00107	per CCF
<u>Medium Volume Firm Transportation</u>		
<u>Service ("MVFT")</u>		
Customer Charge	\$896.77	per month
Demand Charge	\$17.775	per MCF of Billing MDQ
Delivery Charge	\$0.55297	per MCF Redelivered
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee Non-Base Rate	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.01070	per MCF
<u>Large Volume Firm Transportation</u>		
<u>Service ("LVFT")</u>		
Customer Charge	\$1,272.81	per month
Demand Charge	\$10.899	per MCF of Billing MDQ
Delivery Charge	\$0.14106	per MCF Redelivered
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee Non-Base Rate	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.01070	per MCF
<u>Standby Service ("SBS")</u>		
Demand Charge Non-Base Rate	\$1.9200	per MCF
Commodity Charge		Monthly System WACCOG per MCF (adjusted for Lost and Unaccounted for Gas)

Utility Facility Relocation Charge For applicability refer to Rider UFRC on Leaf No. 81

Public Utilities Tax: 4.25% Applies to all non-residential services, including the GCR, unless pursuant to Title30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2.00% Charged on all non-exempt Services, in the City of Wilmington, including the GCR.

Order No.
Docket No.

Filed: August 24, 2018
Effective with Usage On and After November 1, 2018

Proposed

RATES AND CHARGES
CORE SALES RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>Residential Gas Sales Service (“RG”)</u>		
Customer Charge	\$13.18	per month
Delivery Charge	\$0.54930	per CCF
Space Heating Delivery Charge 1/ Over 50 CCF	\$0.44078	per CCF
Environmental Surcharge Rider	\$0.00160 00107	per CCF
Gas Cost Rate (GCR)	\$0.50304	per CCF
<u>General Gas Sales Service (“GG”)</u>		
Customer Charge	\$54.26	per month
Delivery Charge		
First 750 CCF	\$0.36283	per CCF
Over 750 CCF	\$0.36283	per CCF
Environmental Surcharge Rider	\$0.00160 00107	per CCF
Gas Cost Rate (GCR)	\$0.50304	per CCF
<u>Gas Lighting Sales Service (“GL”)</u>		
(Estimated Usage - 15 CCF per month)		
Monthly Charge	\$ 7.79	per gas light
Gas Cost Rate (GCR)	\$ 7.55	per gas light
<u>Medium Volume Gas Sales Service (“MVG”)</u>		
Customer Charge	\$818.63	per month
Demand Charge	\$ 17.775	per MCF of Billing MDQ
Delivery Charge 2/	\$0.55297	per MCF
Environmental Surcharge Rider	\$0.01599 01070	per MCF
Gas Cost Rate (GCR)	\$5.0304	per MCF
<u>Large Volume Gas Sales Service (“LVG”)</u>		
Customer Charge	\$1,194.66	per month
Demand Charge	\$10.899	per MCF of Billing MDQ
Delivery Charge 2/	\$0.14106	per MCF
Environmental Surcharge Rider	\$0.01599 01070	per MCF
Gas Demand Cost Rate(DCR)	\$1.9200	per MCF
Gas Commodity Cost Rate (CCR) 2/	Varies	per MCF

Public Utilities Tax: 4.25% applies to all non-residential services, including the GCR, unless pursuant to Title 30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2% Charged on all non-exempt services, in the City of Wilmington, including the GCR.

Utility Facility Relocation Charge

For applicability refer to Rider UFRC on Leaf No. 81

1/ Gas used by Customers with permanently installed gas-fired space heating equipment qualifies for the space heating delivery rate for all gas used in excess of 50 CCF for the billing months of October through May, inclusive.

2/ All LVG and “Electing” MVG Customers pay a monthly Gas Demand Cost Rate and a Commodity Cost Rate based upon the system Weighted Average Commodity Cost of Gas (“System WACCOG”). “Non-Electing” MVG Customers pay the annual GCR listed here.

Order No. ~~9214~~

Filed: ~~May 23~~August 24, 2018

Docket No. ~~17-1013~~

Effective with Usage On and After ~~March 17~~ November 1, 2018

~~Filed in Compliance with Order No. 9214 in Docket No. 17-1013~~

~~To reflect Gas Cost Rate Approved as Final(Originally Effective November 1, 2017/2018)~~

Proposed

RATES AND CHARGES
CORE SALES RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>Large Volume Gas Sales Service-Qualified Fuel Cell Provider-Renewable Capable Power Production (“LVG-QFCP-RC”)</u>		
Customer Charge	\$1,272.81	per month
Demand Charge	\$7.596	per MCF of Billing MDQ
Capital Recovery Charge	Varies	per Customer’s Executed Service Agreement
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.015990 <u>1070</u>	per MCF
Gas Cost Rate (GCR) Commodity Charge 1/	Varies	per MCF

Public Utilities Tax: 4.25% applies to all non-residential services, unless pursuant to Title 30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2% charged on all non-exempt services, in the City of Wilmington.

Utility Facility Relocation Charge For applicability refer to Rider UFRC on Leaf No. 81

- 1/ All LVG-QFCP-RC customers pay a Commodity Charge Rate based upon the Gas Daily Average (GDA) for Transco Zone 6 Non-New York North price plus any premiums incurred by the Company to provide this service.

Order No. ~~9214~~
Docket No. ~~17-1013~~

Filed: ~~May 23~~August 24, 2018
Effective with Usage On and After ~~March 17~~November 1, 2018

~~Filed in Compliance with Order No. 9214 in Docket No. 17-1013~~
~~To reflect Gas Cost Rate Approved as Final~~
~~(Originally Effective November 1, 2017/2018)~~
Proposed

RATES AND CHARGES

CORE TRANSPORTATION RATE LEAF

<u>SERVICE CLASSIFICATION</u>	<u>BASE RATE</u>	<u>BASIS</u>
<u>General Volume Firm Transportation</u>		
<u>Service (“GVFT”)</u>		
Customer Charge	\$189.07	per month
Delivery Charge		
First 750 CCF	\$0.36283	per CCF Redelivered
Over 750 CCF	\$0.36283	per CCF Redelivered
Pressure Support Fee	\$0.04095	per CCF Redelivered
Balancing Fee Non-Base Rate	\$0.06779	per CCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.00160 <u>00107</u>	per CCF
<u>Medium Volume Firm Transportation</u>		
<u>Service (“MVFT”)</u>		
Customer Charge	\$896.77	per month
Demand Charge	\$17.775	per MCF of Billing MDQ
Delivery Charge	\$0.55297	per MCF Redelivered
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee Non-Base Rate	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.01599 <u>01070</u>	per MCF
<u>Large Volume Firm Transportation</u>		
<u>Service (“LVFT”)</u>		
Customer Charge	\$1,272.81	per month
Demand Charge	\$10.899	per MCF of Billing MDQ
Delivery Charge	\$0.14106	per MCF Redelivered
Pressure Support Fee	\$0.4095	per MCF Redelivered
Balancing Fee Non-Base Rate	\$0.6779	per MCF of Imbalance Volumes
Environmental Surcharge Rider	\$0.01599 <u>01070</u>	per MCF
<u>Standby Service (“SBS”)</u>		
Demand Charge Non-Base Rate	\$1.9200	per MCF
Commodity Charge		Monthly System WACCOG per MCF (adjusted for Lost and Unaccounted for Gas)

Utility Facility Relocation Charge For applicability refer to Rider UFRC on Leaf No. 81

Public Utilities Tax: 4.25% Applies to all non-residential services, including the GCR, unless pursuant to Title30 Chapter 55, the Customer is eligible for a different tax rate or is exempt from such tax.

City of Wilmington Local Franchise Tax: 2.00% Charged on all non-exempt Services, in the City of Wilmington, including the GCR.

Order No. ~~9214~~ — Filed: ~~May 23~~ August 24, 2018

Docket No. ~~17-101~~ — Effective with Usage On and After ~~March 17~~ November 1, 2018

~~Filed in Compliance with Order No. 9214 in Docket No. 17-1013~~

~~To reflect Gas Cost Rate Approved as Final
(Originally Effective November 1, 2017/2018)~~

Proposed

Annual Application for the Gas Environmental Surcharge Rider
PSC Docket No. 18-___
Briefing Sheet

SUBJECT: Delmarva Power & Light Company's Annual Application for the Gas Environmental Surcharge Rider filed August 24, 2018.

RATE CHANGE SOUGHT: The Company seeks approval to decrease its current Environmental Surcharge Rider rate ("ESR") at a positive surcharge of \$0.00160 per CCF to \$0.00107 per CCF for all firm delivery service customers. The decrease is to take effect for service rendered on and after November 1, 2018.

REASONS FOR FILING: This filing is the annual Application to review the Gas ESR rate pursuant to the provisions in the Settlement Agreement in Docket No. 03-127, approved on December 9, 2003, by Order No. 6327, to establish the Gas Environmental Surcharge mechanism.

EFFECTIVE DATE: The proposed rate change is to be effective for service rendered on or after November 1, 2018, subject to refund, and pending approval of the Commission.

TEST YEAR: N/A - The Environmental Cost Year in this filing is June 1, 2017 through May 31, 2018. The Recovery Period in this filing is November 1, 2018 through June 30, 2019.

ELEMENTS OF RATE CHANGE: The new rate was calculated in accordance with the methodology approved in PSC Docket No. 04-53 to recover costs associated with the clean up of the Manufactured Gas Plant site in Wilmington, Delaware. A rate decrease is requested in this filing.

IMPACT OF DIFFERENT CLASSES: The current Environmental Surcharge Rider rate decreases to a positive surcharge of \$0.00107 per CCF for all firm delivery service customers.

CUSTOMER IMPACT The effect on a residential space heating customer using 83 ccf in a Winter month would be a decrease of \$0.04 in their total bill.