

1 **DELMARVA POWER & LIGHT COMPANY**
2 **TESTIMONY OF LEONARD J. BECK**
3 **BEFORE THE PUBLIC SERVICE COMMISSION**
4 **OF THE STATE OF DELAWARE**
5 **CONCERNING THE ANNUAL GAS ENVIRONMENTAL**
6 **SURCHARGE RIDER (ESR) RATE REVIEW**
7 **PSC DOCKET NO. 18-_____**

9 **1. Q: Please state your name, occupation and business address.**

10 **A:** My name is Leonard J. Beck, MBA, Senior Rate Analyst for Pricing and
11 Regulatory Services, Pepco Holdings, LLC (“PHI”) an Exelon Company, of
12 which Delmarva Power & Light Company (“Delmarva” or the “Company”) is a
13 subsidiary. My office is located at 500 North Wakefield Drive, Newark,
14 Delaware 19702.

15 **2. Q: What is your educational and professional background and experience?**

16 **A:** I earned a Bachelors’ Degree in Business Administration, and later, a
17 Master of Business Administration Degree in August 2000 from the Wilmington
18 University in Wilmington, Delaware. I have worked in the Regulatory Affairs
19 Department since 2000, as an Analyst and later Senior Analyst, supporting filings
20 and Commission reporting in Delaware (electric and gas), Maryland, Virginia,
21 New Jersey, Washington, D.C. and FERC jurisdictional areas. Prior to joining
22 Delmarva Power in 1997, I was the Controller for two Manufacturing Companies,
23 and held other positions including CEO for a family owned importing business,
24 Marketing Manager and Accountant for a Public Accounting Firm.

1 **3. Q: Have you previously testified before the Delaware Public Service**
2 **Commission?**

3 A: Yes. I provided testimony in the following Environmental Surcharge
4 Riders in Delaware Public Service Commission Docket Nos. 06-283, 07-237, 08-
5 267, 09-384, 10-290 and 17-1014.

6 **4. Q: What is the purpose of your testimony?**

7 A: The purpose of my testimony is to support Delmarva's annual application
8 to review the Gas Environmental Surcharge Rider Rate ("ESR Rate"). I will
9 provide detail as to the calculation of the proposed ESR Rate decrease. This
10 testimony was prepared by me or under my direct supervision. The source
11 documents for my testimony are Company records. I also rely on my personal
12 knowledge and experience.

13 **5. Q: What rate is Delmarva proposing to be effective on November 1, 2018, and**
14 **how does this compare with the current rates?**

15 A: Delmarva requests that the proposed ESR Rates shown below, as required
16 by the Gas Service Tariff, be approved effective with usage on and after
17 November 1, 2018. Compared to the ESR Rates presently in effect, Delmarva is
18 asking for a \$0.00053/CCF decrease in the rate from \$0.00160/CCF to
19 \$0.00107/CCF, or \$0.01599/MCF to \$0.01070/MCF for the average residential
20 gas customer. As detailed later herein, for Delmarva's typical residential
21 customer, this will cause their monthly winter heating bill to decrease by \$0.04.

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ENVIRONMENTAL SURCHARGE RIDER RATE

Current	Proposed	Change
\$0.00160/CCF	\$0.00107/CCF	\$-0.00053/CCF
\$0.01599/MCF	\$0.01070/MCF	\$-0.00529/MCF

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3 **6. Q: Has Delmarva proposed any Rate Structure redesign of its ESR Rate in this**
4 **proceeding?**

5 **A:** Yes. There are two changes to the rate structure design in this filing.
6 First, in the 2017 filing, the Company was granted permission by the Commission
7 in Order No. 9143 (page 4, part 3) to consolidate the small remaining balances in
8 the 2019 recovery period (\$190.70 + \$481.43) and the 2020 recovery period
9 (\$503.08) into the 2018-2019 annual filing. (See LJB-4 for the calculations.) By
10 doing so, the Company will eliminate the need to make annual filings in the years
11 2019 and 2020, thus saving ratepayers the expense, and the time of Commission
12 Staff, DPA and the Commission associated with such filings. The small dollar
13 amounts of these remaining filings do not justify the time and expense of separate
14 annual filings.

15 The second change is reflected in LJB-5. In prior filings, the forecasted
16 sales for a 12-month period were used to calculate the new ESR rate. Since this
17 will be the last annual surcharge filing for the properties covered under the three
18 Wilmington Manufactured Coal Gas sites, which began in 2003, we need to
19 shorten the recovery period in order to include any over (under) collection in the
20 GCR filing that will occur in August 2019. The Company’s forecast period for

1 this filing will be 11/1/2018 – 6/30/2019. The Company used the forecast period
2 ending June 30, 2019, so a reconciliation of fees collected can be made prior to
3 the 2019-2020 GCR filing. The Company asks for a waiver from the standard
4 Recovery Year described on Tariff Leaf No. 80, to avoid preparing another annual
5 filing for the 2019-2020 period. The Company will provide Commission Staff
6 and the DPA a final report in August 2019, that reconciles the collections and
7 over/under recovery through the end of June 2019, and also provide this
8 information as part of the August 2019 GCR filing.

9 **7. Q: Please explain the background of the ESR Rate.**

10 **A:** In Docket No. 03-127, in March 2003, Delmarva filed for a change in Gas
11 Base Rates. In that proceeding, Delmarva requested recovery of certain expenses
12 associated with environmental remediation of its Wilmington Manufactured Gas
13 Plant sites. The parties entered into a settlement in Docket No. 03-127, which
14 was approved on December 9, 2003 by Commission Order No. 6327. The
15 Settlement Agreement contained a provision which allowed Delmarva to file for a
16 separate mechanism to recover appropriate costs associated with the remediation
17 of the Wilmington Manufactured Gas Plant sites. Section II. A. 2. of the
18 approved Settlement Agreement provides as follows:

19 The Parties agree that, should the Commission approve this
20 Settlement, the Company will file an application for a change in
21 its tariffs to implement an environmental remediation surcharge,
22 equivalent to the mechanism that Chesapeake Utilities currently
23 has in effect. The Company will file this request separately,
24 including (actual incremental "out-of-pocket" expenses as
25 described in Staff witness Henkes' testimony, Ex. 19 at 63)
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1 Delmarva filed its application to establish the Gas Environmental
2 Surcharge mechanism on February 13, 2004, in Docket No. 04-53, which was
3 approved by PSC Order No. 6372 dated February 24, 2004. The Company has
4 been filing an annual application since that time to establish the ESR Rate using
5 the same methodology as approved in Order No. 6372. A complete summary of
6 the recovery requests and results from 2003 through 2018 is contained in schedule
7 LJB-1.

8 **8. Q: Please explain the outcome of Delmarva’s most recent annual Environmental**
9 **Surcharge Filing in Docket No. 17-1014.**

10 **A:** In its application, Delmarva filed the annual Gas ESR Rate to become
11 effective November 1, 2017, coincident with the effective date of Delmarva’s
12 annual Gas Cost Rate (GCR) filing. Delmarva requested a decrease in the Gas
13 ESR Rate. The Commission Staff and Division of the Public Advocate (DPA)
14 reviewed Delmarva’s testimony and supporting documentation and determined
15 that the information provided was accurate. The parties then proceeded to
16 execute a Settlement Agreement whereby the decreased rates, as proposed, were
17 accepted as filed, just and reasonable, and in the public interest. On November 9,
18 2017, by Order No. 9143, the Commission approved the Settlement Agreement,
19 which resulted in a decrease to the Environmental Surcharge Rider Rate of
20 \$0.00009/CCF, from \$0.00169/CCF to \$0.00160/CCF, effective November 1,
21 2017 through October 31, 2018. That settlement caused a typical customer
22 monthly heating bill to decrease by \$0.01.

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1 **9. Q: Does Delmarva seek any new cost recovery in this annual filing?**

2 A: No. The Environmental Cost Year (“ECY”) covered by this application
3 runs from June 1, 2017 through May 31, 2018. As shown on Schedule LJB-2,
4 Delmarva incurred no costs during this period.

5 **10. Q: Did Delmarva communicate with the Staff of the Delaware Public Service**
6 **Commission and the Division of the Public Advocate (DPA) related to the**
7 **status of costs included in this filing?**

8 A: Yes. This year, since no costs were incurred, there were no invoices and
9 backup materials needed to be electronically submitted for review. On August 1,
10 2018, the Commission Staff and staff of the DPA were notified via e-mail that no
11 costs were incurred.

12 **11. Q: Please explain how the Environmental Surcharge Rider Rate is calculated.**

13 A: There are several time periods and factors used to calculate the
14 Environmental Surcharge Rider Rate. The definitions of those factors and time
15 periods are contained in Gas Tariff Leaf Nos. 79 and 80. The Environmental Cost
16 Year (“ECY”) was defined earlier in this testimony. Other definitions include:
17 **Recovery Year**

18 The Recovery Year, as defined in Gas Tariff Leaf No. 80, is “each
19 November 1 through October 31 and is the time period in which the annually
20 calculated environmental rider rate will be billed to firm customers.” As
21 previously mentioned, for this filing, the Recovery Year will end June 30, 2019 to
22 calculate any over or under collection and include the over or under collection in
23 the GCR filing to be completed in August 2019. For purposes of this filing, the

1 Recovery Year will begin November 1, 2018 when rates are proposed to go into
2 effect and will end on June 30, 2019.

3 **Reconciliation Factor**

4 The Reconciliation Factor, as defined in Gas Tariff Leaf No. 80, “shall be
5 equal to the over/under collection of the environmental cost rider. Over/under
6 collection is the accumulated experienced net over or under recovery of the
7 environmental costs during the twelve-month period ending with the month of
8 June immediately preceding the beginning of the next Recovery Year.” (Refer to
9 Schedule LJB-3 for the reconciliation of this year’s activity.) In July 2019, the
10 Reconciliation Factor will be determined and reported to Commission Staff and
11 the DPA as previously discussed and will be included in the GCR filing in August
12 2019.

13 **Amortization Factor**

14 The Amortization Factor, as defined in Gas Tariff Leaf No. 79, is
15 “recovery of net environmental costs incurred during an ECY will be
16 accomplished through a five-year amortization, offset by the tax benefit
17 associated with those environmental costs as defined below. A net annual
18 amortization amount will be calculated for each of the five years of amortization
19 scheduled for the ECY. The amortization factor for any year will be comprised of
20 the total net annual amount scheduled for that year.” (See Schedule LJB-4 for
21 these year-by-year details.)

22 The Environmental Surcharge Rider Rate, as defined in Gas Tariff Leaf
23 No. 80, “shall be equal to the sum of the amortization and reconciliation factors

1 divided by projected firm sales over the next recovery period of November 1
2 through October 30.” The ‘projected firm sales’ are Delmarva’s estimated sales,
3 by customer classification, for the next recovery year. This estimate is included
4 in the annual GCR filing each year. For this filing, the sum of the applicable
5 amortization and reconciliation factors are divided by projected firm sales over
6 the recovery period of November 1, 2018 through June 30, 2019.

7 **12. Q: Please explain Schedule LJB-3.**

8 **A:** Schedule LJB-3 calculates the Reconciliation Factor, or the over/under
9 collection of the Environmental Surcharge Rider Rate, for the period that
10 preceded the recovery year in this filing. This Schedule compares the projected
11 collections to the amount that was actually collected from customers for the
12 period. As illustrated on Schedule LJB-3, the Reconciliation Factor is an over-
13 collection of \$9,639.15. This Reconciliation Factor accounts for approximately -
14 5.17% of the proposed net amount to be recovered (as displayed on Schedule
15 LJB-4).

16 **13. Q: Why does Schedule LJB-3 end with the period June 2018?**

17 **A:** Schedule LJB-3 is updated through the last month where actual collection
18 information is available, which at the time this Application was prepared, was
19 June 2018. For the period from July 2017 forward, the Company did not incur
20 any additional remediation costs for any of the three sites listed on LJB-2. Since
21 this filing will be the last ESR filing for these sites, a true-up plan needs to be
22 developed. Order No. 9143 (page 4, part 4), states, “With respect to any true-up
23 in final ESR costs, Delmarva, Staff and the DPA shall work towards reaching a

1 mutually agreeable recommendation to present for Commission review.” The
2 Company has proposed that any over/under collection be trued up in the 2019-
3 2020 GCR rates.

4 **14. Q: Please explain Schedule LJB-4.**

5 **A:** Schedule LJB-4 is a summary of the ECY schedule recoveries. This
6 Schedule illustrates a proposed total net recovery of \$186,550.75 for the Recovery
7 Year beginning November 1, 2018. This net recovery amount includes an
8 accumulation of the amortizations approved to this date. This includes:
9 \$194,372.41 for the fifth year amortization factor for the recovery year ending
10 May 2014, plus \$182.49 for the fourth year, and \$190.70 for the fifth year
11 amortization factor for the recovery year ending May 2015, plus \$459.79 for the
12 third amortization year, plus \$481.43 for the fourth amortization year, plus
13 \$503.08 for the fifth amortization year for the recovery year ending May 2016,
14 and includes the \$9,639.90 of over-collection through June 2018 as calculated on
15 Schedule LJB-3. With these amounts recovered in the months from November 1,
16 2018 through June 2019, no other remediation expenses will remain uncollected.
17 This calculation is reflected on the lower portion of Schedule LJB-4.

18 **15. Q: Please explain the actual calculation of the rate on Schedule LJB-5.**

19 **A:** The total recovery amount of \$186,550.75, as calculated on Schedule LJB-
20 4, is grossed up by 0.3% in order to recover the Delaware Public Service
21 Commission assessment. This is the amount that Delmarva is permitted to collect
22 from customers. Schedule LJB-5 calculates the new ESR Rate level by dividing
23 the total recovery by the projected firm sales for the modified Recovery period

1 (November 2018 through June 2019), 16,313,267 MCF (see green subtotal line),
2 resulting in a rate of \$0.01070 per MCF, or \$0.00107 per CCF. The current rate is
3 \$0.00160 per CCF. A decrease of \$0.00053 per CCF, results in a rate of \$0.00107
4 per CCF. The net decrease will be a decrease of approximately \$0.04 on a
5 customer's typical winter heating bill.

6 **16. Q: How did you develop the firm sales forecast in this filing for the calculation of**
7 **the ESR?**

8 **A:** The sales forecast used in the calculation of this rate was developed for
9 Delmarva's annual GCR filing for the period November 1, 2018 through October
10 31, 2019, proposed to become effective November 1, 2018. The sales forecast is
11 discussed in the testimony of Delmarva's witness Jeff Miles, and is found in the
12 GCR filing titled, "Schedule JM-1" (2018-2019 GCR ESR Period Gas Sales
13 Budget), also included herein with schedules.

14 **17. Q: Please identify the customers who are subject to the Environmental**
15 **Surcharge Rider Rate.**

16 **A:** The Rider is applicable to all firm delivery service customers, including
17 classifications: Residential Gas Sales Service ("RG"), General Gas Sales Service
18 ("GG"), Medium Volume Gas Sales Service ("MVG"), Large Volume Gas Sales
19 Service ("LVG"), General Volume Firm Transportation ("GVFT"), Medium
20 Volume Firm Transportation ("MVFT"), Large Volume Firm Transportation
21 ("LVFT"), and Large Volume Gas – Qualified Fuel Cell Provider Renewable
22 Capable ("LVG-QFCP-RC").

1 **18. Q: If approved, how would the proposed rates impact typical residential gas**
2 **customers as compared to the ESR currently in effect?**

3 A: During the heating season, a typical residential gas customer who uses
4 approximately 83 CCF of natural gas during a winter month will see a \$0.04
5 decrease on their overall bill.

6 **19. Q: Please explain Delmarva's expectation of timing of this filing.**

7 A: Delmarva's Gas Tariff Leaf No. 79 states: "The Company will file with
8 the Commission a copy of the environmental surcharge rider computation at least
9 30 days prior to the proposed effective date of November 1." These Tariff Leafs
10 were approved by the Commission in Docket No. 04-53. Therefore, with the
11 filing of this Application on or before August 31, 2018, the requirement to file the
12 ESR computation at least 30 days prior to the effective date is met. Delmarva
13 proposes that the new rate go into effect on November 1, 2018, subject to refund,
14 after review and approval by the Commission.

15 **20. Q: Will Delmarva Power utilize an Environmental Witness to provide**
16 **Testimony in this year's annual filing?**

17 A: No. Since the Wilmington Coal Gas Site – South was sold in 2016, no
18 further remediation was performed by the Company, and no costs were incurred
19 in this ECY. Because there is no environmental remediation or related costs to
20 discuss in this filing, an environmental witness is not necessary.

21 **21. Q: Does this conclude your testimony?**

22 A: Yes.

Delmarva Power and Light Company
 2018-2019 Annual Gas Environmental Surcharge Filing
 PSC Docket No. 18-____

Summary of Environmental Surcharge Rider To-Date

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Wilmington Coal Gas Site - North (sold 3-15-2006)			Wilmington Coal Gas Site - South (sold 7/13/2016)			Wilmington Public Works Yard (sold 8/14/1984)		
DATE:	VENDOR / REF.:	AMOUNT:	DATE:	VENDOR / REF.:	AMOUNT:	DATE:	VENDOR / REF.:	AMOUNT:
	None*	\$ -		None*	\$0.00		None*	\$ -
	Total North Site:	\$ -		Total South Site:	\$ -		Total PWY Site:	\$ -
							TOTAL ALL SITES:	\$ -

* No costs were incurred during the current Environmental Cost Year (ECY) of June 1, 2017 through May 31, 2018.

Delmarva Power and Light Company
 2018-2019 Annual Gas Environmental Surcharge Filing
 PSC Docket No. 18-____

Summary of Environmental Surcharge Rider To-Date

	A	B		C	D	E	F	G	H
	<u>Year</u>	<u>Month</u>		Total Firm Estimated Throughput <u>(mcf)</u> 1/	ESR Rates	Rate Charged Net of PSC Assessment <u>(mcf)</u> 3/	Amount To be Recovered Net of <u>PSC Assessment</u>	Actual Recovery Net of <u>PSC Assessment</u>	(Over)/Under Recovery Net of <u>PSC Assessment</u>
1	2017	July	1/	708,401	\$ 0.01686	\$ 0.01681	\$ 11,907.81	\$ 12,169.35	\$ (261.54)
2	2017	August	1/	725,570	\$ 0.01686	\$ 0.01681	\$ 12,196.41	\$ 12,198.96	\$ (2.55)
3	2017	September	1/	752,604	\$ 0.01686	\$ 0.01681	\$ 12,650.84	\$ 13,075.31	\$ (424.47)
4	2017	October	1/	1,029,315	\$ 0.01686	\$ 0.01681	\$ 17,302.19	\$ 13,263.98	\$ 4,038.21
5	2017	November	2/	1,526,512	\$ 0.01599	\$ 0.01594	\$ 24,335.70	\$ 20,467.62	\$ 3,868.08
6	2017	December	2/	2,576,140	\$ 0.01599	\$ 0.01594	\$ 41,068.90	\$ 36,166.00	\$ 4,902.90
7	2018	January	2/	3,100,393	\$ 0.01599	\$ 0.01594	\$ 49,426.56	\$ 60,202.06	\$ (10,775.50)
8	2018	February	2/	2,949,919	\$ 0.01599	\$ 0.01594	\$ 47,027.70	\$ 50,819.59	\$ (3,791.89)
9	2018	March	2/	2,716,296	\$ 0.01599	\$ 0.01594	\$ 43,303.27	\$ 38,637.91	\$ 4,665.36
10	2018	April	2/	1,792,229	\$ 0.01599	\$ 0.01594	\$ 28,571.77	\$ 36,967.52	\$ (8,395.75)
11	2018	May	2/	1,138,905	\$ 0.01599	\$ 0.01594	\$ 18,156.46	\$ 21,887.31	\$ (3,730.85)
12	2018	June	2/	854,055	\$ 0.01599	\$ 0.01594	\$ 13,615.37	\$ 13,346.52	\$ 268.85
13	Total			19,870,339			\$ 319,562.98	\$ 329,202.13	\$ (9,639.15)

1/ Estimated throughput as shown in the Company's filing approved November 15, 2016 by Commission Order No. 8980 in Docket No 16-0888

2/ Estimated throughput as shown in the Company's filing approved November 9, 2017 by Commission Order No. 9143 in Docket No. 17-1014

3/ Rate charge is net of PSC Assessment (\$0.01686*.997 for July 2017 to October 2017 and \$0.01599*.997 for November 2017 to June 2018)

Summary of Environmental Surcharge Rider To-Date

	A	B	C	D	E	F	G	H	I	J	K	L												
	Recovery Year Beginning	Environmental Cost Year Ending May-03 1/	Am. Year	Environmental Cost Year Ending May-04 2/	Am. Year	Environmental Cost Year Ending May-05 3/	Am. Year	Environmental Cost Year Ending May-06 4/	Am. Year	Environmental Cost Year Ending May-07 5/	Am. Year	Environmental Cost Year Ending May-08 6/	Am. Year	Environmental Cost Year Ending May-09 7/	Am. Year	Environmental Cost Year Ending May-10 8/	Am. Year	Environmental Cost Year Ending May-11 9/	Am. Year	Environmental Cost Year Ending May-12 10/	Am. Year	Environmental Cost Year Ending May-13 11/	Am. Year	
1	Nov-03	\$ 85,579.33	1																					
2	Nov-04	\$ 90,333.90	2	\$ 9,122.85	1																			
3	Nov-05	\$ 95,088.47	3	\$ 9,629.69	2	\$ 156,695.41	1																	
4	Nov-06	\$ 99,843.03	4	\$ 10,136.54	3	\$ 165,401.01	2	\$ 130,716.09	1															
5	Nov-07	\$ 104,597.60	5	\$ 10,643.38	4	\$ 174,106.60	3	\$ 137,977.66	2	\$ 8,976.08	1													
6	Nov-08			\$ 11,150.22	5	\$ 182,812.20	4	\$ 145,239.22	3	\$ 9,466.02	2	\$ 3,104.76	1											
7	Nov-09					\$ 191,517.79	5	\$ 152,500.79	4	\$ 9,955.97	3	\$ 3,274.23	2	\$ 2,394.10	1									
8	Nov-10							\$ 159,762.35	5	\$ 10,445.91	4	\$ 3,443.70	3	\$ 2,524.77	2	\$ 7,179.13	1							
9	Nov-11									\$ 10,935.86	5	\$ 3,613.17	4	\$ 2,655.45	3	\$ 7,570.98	2	\$ 2,168.06	1					
10	Nov-12											\$ 3,782.64	5	\$ 2,786.13	4	\$ 7,962.84	3	\$ 2,284.45	2	\$ 18,508.96	1			
11	Nov-13													\$ 2,916.83	5	\$ 8,354.70	4	\$ 2,400.83	3	\$ 19,502.54	2	\$ 83,768.47	1	
12	Nov-14															\$ 8,746.56	5	\$ 2,517.22	4	\$ 20,496.12	3	\$ 50,235.30	2	
13	Nov-15																\$ 2,633.59	5	\$ 21,489.70	4	\$ 81,896.34	3		
14	Nov-16																	\$ 22,483.28	5	\$ 91,825.97	4			
15	Nov-17																				\$ 101,755.60	5		
16	Nov-18																							
17	Nov-19																							
18	Total	\$ 475,442.33		\$ 50,682.68		\$ 870,533.01		\$ 726,196.11		\$ 49,779.84		\$ 17,218.50		\$ 13,277.28		\$ 39,814.21		\$ 12,004.15		\$ 102,480.60		\$ 409,481.68		

	M	N	O	P	Q	R	S	T	U						
	Recovery Year Beginning	Environmental Cost Year Ending May-14 12/	Am. Year	Environmental Cost Year Ending May-15 13/	Am. Year	Environmental Cost Year Ending May-16 14/	Am. Year	Environmental Cost Year Ending May-17 15/	Am. Year	Environmental Cost Year Ending May-18 16/	Am. Year	Subtotal To Be Recovered Nov '18 - Oct '19 Recovery Year	(Over)/Under Recovery 17/	Total To Be Recovered Nov '18 - Oct '19 Recovery Year	(Over)/Under Recovery as % of Total:
1	Nov-03														
2	Nov-04														
3	Nov-05														
4	Nov-06														
5	Nov-07														
6	Nov-08														
7	Nov-09														
8	Nov-10														
9	Nov-11														
10	Nov-12														
11	Nov-13														
12	Nov-14	\$ 160,930.25	1												
13	Nov-15	\$ 169,290.79	2	\$ 157.88	1										
14	Nov-16	\$ 177,651.32	3	\$ 166.08	2	\$ 416.52	1								
15	Nov-17	\$ 186,011.86	4	\$ 174.28	3	\$ 438.15	2	\$ -							
16	Nov-18	\$ 194,372.41	5	\$ 182.49	4	\$ 459.79	3	\$ -				\$ 196,189.90	\$ (9,639.15)	\$ 186,550.75	-5.17%
17	Nov-19			\$ 190.70	5	\$ 481.43	4	\$ -							
18	Nov-20					\$ 503.08	5	\$ -							
19															
20	Total	\$ 888,256.63		\$ 871.43		\$ 2,298.97		\$ -		\$ -					

- 1/ Environmental Cost Year Recovery as shown in the Company's filing approved April 20, 2004 by Commission Order No. 6401 in Docket No. 04-53
- 2/ Environmental Cost Year Recovery as shown in the Company's filing approved May 24, 2005 by Commission Order No. 6626 in Docket No. 04-384
- 3/ Environmental Cost Year Recovery as shown in the Company's filing approved April 25, 2006 by Commission Order No. 6889 in Docket No. 05-356
- 4/ Environmental Cost Year Recovery as shown in the Company's filing approved Mar. 20, 2007 by Commission Order No. 7145 in Docket No. 06-283
- 5/ Environmental Cost Year Recovery as shown in the Company's filing approved June 17, 2008 by Commission Order No. 7407 in Docket No. 07-237
- 6/ Environmental Cost Year Recovery as shown in the Company's filing approved May 19, 2009 by Commission Order No. 7565 in Docket No. 08-267
- 7/ Environmental Cost Year Recovery as shown in the Company's filing approved December 22, 2009 by Commission Order No. 7716 in Docket No. 09-384
- 8/ Environmental Cost Year Recovery as shown in the Company's filing approved October, 19, 2010 by Commission Order No. 7858 in Docket No.10-290
- 9/ Environmental Cost Year Recovery as shown in the Company's filing approved November 11, 2011 by Commission Order No. 8041 in Docket No. 11-382
- 10/ Environmental Cost Year Recovery as shown in the Company's filing approved November 15, 2012 by Commission Order No. 8240 in Docket No. 12-420
- 11/ Environmental Cost Year Recovery as shown in the Company's filing approved December 18, 2013 by Commission Order No. 8496 in Docket No. 13-348
- 12/ Environmental Cost Year Recovery as shown in the Company's filing approved December 4, 2014 by Commission Order No. 8680 in Docket No. 14-296
- 13/ Environmental Cost Year Recovery as shown in the Company's filing approved November 24th, 2015 by Commission Order No. 8818 in Docket No. 15-1333
- 14/ Environmental Cost Year Recovery as shown in the Company's filing approved November 15th, 2016 by Commission Order No. 8980 in Docket No. 16-0888
- 15/ Environmental Cost Year Recovery as shown in the Company's filing approved November 9th, 2017 by Commission Order No. 9143 in Docket No. 17-1014 (none)
- 16 / Reference Schedule LJB-2 (zero for this Environmental Cost Year)
- 17 / Reference Schedule LJB-3

Balances to be collected in future periods above:	
Actual:	
Nov-19	\$ - All collected in this year's
Nov-20	\$ - rate calculation.
Total:	\$ -

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Summary of Environmental Surcharge Rider To-Date

	A	B	C	D	E	F	G	H	I	J	K
	Projected Sales in mcf										
	Month	Residential Service	General Service	Medium Volume Service	LVG-QFCP-RC Volume Service	Total Firm Sales	Firm Transportation	Total Firm Throughput	Recovery at \$ 0.01070	Recovery Net of PSC Assessment	PSC Assessment
1	Nov-18	1/ 633,464	320,056	15,132	138,227	1,106,879	480,588	1,587,467	\$ 17,002.73	\$ 16,951.87	\$ 50.86
2	Dec-18	1/ 1,274,397	557,196	26,642	142,835	2,001,070	590,908	2,591,978	\$ 27,761.65	\$ 27,678.61	\$ 83.04
3	Jan-19	1/ 1,607,262	687,740	41,022	142,835	2,478,859	709,150	3,188,009	\$ 34,145.50	\$ 34,043.37	\$ 102.13
4	Feb-19	1/ 1,542,279	706,858	38,179	129,010	2,416,326	710,535	3,126,861	\$ 33,490.57	\$ 33,390.40	\$ 100.17
5	Mar-19	1/ 1,328,050	564,905	29,712	142,835	2,065,502	692,846	2,758,348	\$ 29,543.57	\$ 29,455.21	\$ 88.37
6	Apr-19	1/ 845,053	392,509	26,429	138,227	1,402,218	560,022	1,962,240	\$ 21,016.77	\$ 20,953.91	\$ 62.86
7	May-19	1/ 453,790	245,472	15,773	142,835	857,870	459,717	1,317,587	\$ 14,112.15	\$ 14,069.94	\$ 42.21
8	Jun-19	1/ 246,789	155,411	10,746	138,227	551,173	385,979	937,152	\$ 10,037.46	\$ 10,007.44	\$ 30.02
9	Subtotals:	7,931,084	3,630,147	203,635	1,115,031	12,879,897	4,589,745	17,469,642	\$ 187,110.40	\$ 186,550.75	\$ 559.65
10	Jul-19	1/ 157,961	117,554	7,023	142,835	425,373	375,040	800,413			
11	Aug-19	1/ 135,010	108,932	7,072	142,835	393,849	376,320	770,169			
12	Sep-19	1/ 171,364	131,771	8,456	138,227	449,818	383,418	833,236			
13	Oct-19	1/ 332,714	237,024	10,361	142,835	722,934	409,489	1,132,423			
14	Totals	8,728,133	4,225,428	236,547	1,681,763	14,871,871	6,134,012	21,005,883			

Rate Calculation:

15	Subtotal to be Recovered (Nov. 1, 2018 to June 30, 2019 - Sched. LJB-4)	\$ 186,550.75
16	PSC Assessment added at:	0.30%
17	Total Recovery including PSC Assessment	\$ 187,110.40
18	Firm Throughput (mcf) November 2018 through June 2019	17,469,642
19	Proposed Rate per mcf	\$ 0.01070
20	Proposed Rate per ccf	\$ 0.00107
21	Rate Currently in Effect per ccf	\$ 0.00160
22	Typical monthly heating bill impact on 83 ccf residential customer	\$ (0.04)

1/ The Sales Forecast is from the Company's GCR filing submitted August 2018 from Schedule JM-1 Adjusted as follows:

Schedule JM-1 (page 2)	19,324,120
Plus: LVG-QFCP-RC	1,681,763
(MCF)	21,005,883

Delmarva Power Light Company
2018 - 2019 GCR Period Gas Sales Budget

all in mcf	Firm Bundled Sales						
	RES	RSH	GL	GG	MVG	LVG	Total
Aug-18	9,069	135,500	17	122,863	4,600	-	272,049
Sep-18	9,844	160,631	17	121,654	4,751	-	296,897
Oct-18	18,549	258,599	17	253,776	8,857	-	539,798
Total	37,462	554,730	51	498,293	18,208	-	1,108,744
Nov-18	24,028	609,419	17	320,056	15,132	-	968,652
Dec-18	43,701	1,230,679	17	557,196	26,642	-	1,858,235
Jan-19	56,741	1,550,504	17	687,740	41,022	-	2,336,024
Feb-19	52,848	1,489,414	17	706,858	38,179	-	2,287,316
Mar-19	43,924	1,284,109	17	564,905	29,712	-	1,922,667
Apr-19	31,334	813,702	17	392,509	26,429	-	1,263,991
May-19	19,615	434,158	17	245,472	15,773	-	715,035
Jun-19	13,033	233,739	17	155,411	10,746	-	412,946
Jul-19	9,815	148,129	17	117,554	7,023	-	282,538
Aug-19	9,146	125,847	17	108,932	7,072	-	251,014
Sep-19	10,048	161,299	17	131,771	8,456	-	311,591
Oct-19	14,814	317,883	17	237,024	10,361	-	580,099
Total	329,047	8,398,882	204	4,225,428	236,547	-	13,190,108
Comparison to August 2017 GCR & ESR forecast for 17-18 GCR period:							
Total	320,202	7,542,246	204	4,282,863	200,201	12,042	12,357,758
Change	8,845	856,636	-	(57,435)	36,346	(12,042)	832,350
%Change	2.7%	10.2%	0.0%	-1.4%	15.4%	-100.0%	6.3%

Delmarva Power Light Company 2018 - 2019 GCR Period Gas Sales Budget

all in mcf	Firm Transportation				Firm Throughput
	GVFT	MVFT	LVFT	Total	
Aug-18	24,420	77,542	247,447	349,409	621,458
Sep-18	28,027	77,370	256,867	362,264	659,161
Oct-18	49,491	95,964	255,650	401,105	940,903
Total	101,938	250,876	759,964	1,112,778	2,221,522
Nov-18	64,445	106,331	309,812	480,588	1,449,240
Dec-18	79,970	126,628	384,310	590,908	2,449,143
Jan-19	127,745	165,040	416,365	709,150	3,045,174
Feb-19	120,799	163,074	426,662	710,535	2,997,851
Mar-19	95,627	145,597	451,622	692,846	2,615,513
Apr-19	66,541	121,274	372,207	560,022	1,824,013
May-19	41,691	101,096	316,930	459,717	1,174,752
Jun-19	29,639	88,676	267,664	385,979	798,925
Jul-19	28,867	85,010	261,163	375,040	657,578
Aug-19	26,300	83,514	266,506	376,320	627,334
Sep-19	29,664	81,888	271,866	383,418	695,009
Oct-19	50,527	97,969	260,993	409,489	989,588
Total	761,815	1,366,097	4,006,100	6,134,012	19,324,120

Comparison to August 2017 GCR & ESR forecast for 17-18 GCR period:

Total	748,394	1,330,947	3,933,479	6,012,820	18,370,578
Change	13,421	35,150	72,621	121,192	953,542
%Change	1.8%	2.6%	1.8%	2.0%	4.9%

Delmarva Power Light Company 2018 - 2019 GCR Period Gas Sales Budget

all in mcf	Interruptible Transportation					Total Transportation	Total Delivery Sales
	MVIT	LVIT	Total IT	FPS	Total IT+ FPS		
Aug-18	20,546	22,214	42,760	-	42,760	392,169	664,218
Sep-18	24,050	13,005	37,055	-	37,055	399,319	696,216
Oct-18	27,377	25,055	52,432	-	52,432	453,537	993,335
Total	71,973	60,274	132,247	-	132,247	1,245,025	2,353,769
Nov-18	25,358	28,313	53,671	-	53,671	534,259	1,502,911
Dec-18	24,182	26,444	50,626	-	50,626	641,534	2,499,769
Jan-19	16,382	47,849	64,231	-	64,231	773,381	3,109,405
Feb-19	15,028	42,339	57,367	-	57,367	767,902	3,055,218
Mar-19	22,339	37,469	59,808	-	59,808	752,654	2,675,321
Apr-19	23,704	26,998	50,702	-	50,702	610,724	1,874,715
May-19	25,230	22,696	47,926	-	47,926	507,643	1,222,678
Jun-19	23,903	24,223	48,126	-	48,126	434,105	847,051
Jul-19	22,660	17,124	39,784	-	39,784	414,824	697,362
Aug-19	22,129	23,925	46,054	-	46,054	422,374	673,388
Sep-19	25,455	13,764	39,219	-	39,219	422,637	734,228
Oct-19	27,948	25,578	53,526	-	53,526	463,015	1,043,114
Total	274,318	336,722	611,040	-	611,040	6,745,052	19,935,160

Comparison to August 2017 GCR & ESR forecast for 17-18 GCR period:

Total	264,698	336,328	601,026	-	601,026	6,613,846	18,971,604
Change	9,620	394	10,014	-	10,014	131,206	963,556
%Change	3.5%	0.1%	1.6%		1.6%	1.9%	4.8%