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Two Public Comment Hearings Set for Delmarva Power Multi-Year Rate Increase Request

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(BALTIMORE, MD) – The Maryland Public Service Commission will hold two virtual public comment hearings on the request by Delmarva Power & Light to increase its electric distribution rates by \$37.5 million over three years (2023-2025). The utility's customers and other interested parties are welcome to take part in the hearings scheduled for **Tuesday**, **September 13, 2022** at **6:00 p.m.**, and **Thursday**, **September 22, 2022** at **6:00 p.m.**

Delmarva Power, a subsidiary of Exelon Corp., provides retail electric distribution service in Maryland to approximately 210,000 customers in 10 counties, primarily on the Eastern Shore. The company cites continuing investments in its electric distribution system and customer service as the main drivers for the rate increase request.

Delmarva proposes to offset its requested rate increase for the first two years with certain tax benefits; the proposed cumulative rate increase in 2023 after off-sets is \$11.3 million, and \$22.9 million after off-sets in 2024. As proposed, the rate change would result in a bill increase of \$3.42 per month (2.11%) and \$3.50 (2.11%) for rate years one and two respectively, for the typical residential Standard Offer Service customer. For the third year of the plan, the permonth bill increase would be \$4.37 (2.58%).

Anyone who wishes to speak at the hearings can sign up by sending an email to kimberly.schock@maryland.gov by 12 noon on Friday, September 9 for the first hearing and by Tuesday, September 20 for the second hearing. The hearings will be held on the Webex platform and participants will receive an email with the link to join in. For those who just want to watch the hearings, they will be simultaneously livestreamed on the Commission's YouTube channel (Maryland PSC): https://www.youtube.com/c/MarylandPSC

In addition to the hearings, written comments can be submitted electronically through the Commission's online portal at https://www.psc.state.md.us/make-a-public-comment/

Comments can also be sent by mail and should be addressed to: Andrew Johnston, Executive Secretary, Maryland Public Service Commission, William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, MD 21202. So that they are noted in the proper case file, all comments should reference Case No. <u>9681</u> and should be sent by **October 7, 2022.**

The Commission must make a decision on the company's request by December 15, 2022.

Background: In 2020, the Commission approved a pilot process to allow a utility to request a rate plan using a multi-year period. In May 2020, BGE was the first Maryland utility to request such a plan under this framework; Pepco filed a multi-year plan in October 2020; Delmarva's current application for a multi-year plan is its first. The Commission's use of this alternative form of ratemaking, which is used in several other states, is expected to limit the number and frequency of utility rate cases, and allow customers to know with certainty the timing and scale of changes in rates. Until 2020, the Commission had relied largely on a traditional form of ratemaking based on a past, or historic, 12-month period as the basis for electric and gas utilities to recover the cost of providing service to customers. As such, many utilities have filed rate cases as frequently as every year in an effort to recover their costs more quickly.

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.