

## COVER PAGE FOR THE DELAWARE ELECTRIC TARIFF

### CURRENT UPDATE

Updated Internet on or before: August 3, 2007

Tariff changes effective: June 1, 2007

Total Pages + Cover: 122; Total Leafs: 116 (Extra Leafs: 19a, 19b, 90a, 98a & 101a)

Reason for this Tariff Change: (1) Compliance filing required by Docket No. 07-98T Returning Customer Service provisions put into effect May 1, 2007. (2) Compliance filing required by Docket No. 04-391 for final approval of rates put into effect June 1, 2007 for Standard Offer Services, Procurement Cost Adjustment factors and Transmission Charges, subject to refund.

Case / Order / Docket Reference(s): (1) Order No. 7235 in Docket No. 07-98T Leaf Nos. 65 & 113. (2) Order No. 7237 in Docket No. 04-391 Leaf Nos. 39 through 44, 50 & 112. Leaf Nos. 45, 46, 111 & 114 are common to both Order Nos. 7235 & 7237.

Leaf Nos. changed in this update: 39, 40, 41, 42, 43, 44, 45, 46, 50, 65, 111, 112, 113 & 114.

Processed By: Pamela Long, Regulatory Analyst I.

### LAST UPDATE

Tariff changes effective: June 1, 2007

Total Pages + Cover: 122; Total Leafs: 116 (Extra Leafs: 19a, 19b, 90a, 98a & 101a)

Reason for this Tariff Change: (1) Corrections for typographical errors and minor content revisions on filing filed 4-23 and 4-30-07. (2) The new Transmission Formula Rate is included on Leaf Nos. 111 and 114, and a typographical correction to Leaf No. 41. (3) Second correction to Leaf No. 114. (4) A second correction to Leaf No. 50.

Case / Order / Docket Reference(s): (1&2) Order Nos. 6746 & 7162 in Docket No. 04-391.

Leaf Nos. changed in this update: 39, 40, 41, 44, 45, 46, 50, 111, 112 & 114.

Processed By: Leonard J. Beck, MBA, Sr. Regulatory Analyst

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AREAS SERVED BY THIS COMPANY

NEW CASTLE COUNTY

All of New Castle County with the exception of areas served by the municipal electric operations of the City of Newark, City of New Castle, and Town of Middletown.

KENT COUNTY

Camden  
Cheswold  
Farmington  
Felton

Frederica  
Harrington  
Hartly  
Houston  
Wyoming

Kenton  
Magnolia  
Viola  
Woodside

SUSSEX COUNTY

Bethany Beach  
Bethel  
Bridgeville  
Cannon  
Clarksville  
Dagsboro  
Delmar

Fenwick Island  
Frankford  
Georgetown  
Greenwood  
Harbeson  
Laurel  
Millsboro

Milton  
Nassau  
Ocean View  
Rehoboth Beach  
Selbyville

**DEFINITION OF TERMS**

The words listed below shall have the following meanings when used in this tariff:

**Account** – An account is one metered or unmetered rate or service classification which normally has one electric delivery point of service. Each account shall have only one electric supplier providing full electric supply requirements for that account. A premises may have more than one account.

**Ancillary Services** – Services that are necessary for the transmission and distribution of electricity from supply sources to loads and for maintaining reliable operation of the transmission and distribution system.

**Applicant** – Any person, corporation or other entity that: (i) desires to receive from the Company electric or any other service provided for in this Tariff, (ii) complies completely with all Company requirements for obtaining electric or any other service provided for in this Tariff, (iii) has filed and is awaiting Company approval of its application for service, or (iv) is not yet actually receiving from the Company any service provided for in this Tariff. An Applicant shall become a Customer for purposes of this Tariff only after the Applicant actually starts receiving the applicable service(s) from the Company under this Tariff.

**Broker** – A person or entity that acts as an agent or intermediary in the sale or purchase of, but that does not take title to, electricity for sale to retail electric customers.

**Commission** – The Delaware Public Service Commission.

**Company** – Delmarva Power & Light Company.

**Customer** – Any adult person, partnership, association, corporation, or other entity: (i) in whose name an account is listed, (ii) who occupies or is the ratepayer for a premises, building, structure, etc., and (iii) who is primarily responsible for payment of bills. A Customer includes anyone taking Delivery Service or combined Electric Supply & Delivery Service from the Company under one service classification for one account, or premises. Multiple premises under the same name are considered multiple Customers.

**Customer Charge** – A charge designed to recover the costs the Company incurs in providing such services as metering, reading the meter(s), providing dedicated delivery service and billing the Customer's account.

**Delivery Service** – The provision of electric distribution and other services provided by the Company to a Customer who has exercised its right and purchases all of its electric supply services (i.e., capacity, energy, transmission and ancillary) for an account from an Electric Supplier, other than the Company. Delivery Service Charges consist of the Customer Charge, the Distribution Charge, the Environmental Fund Charge, the Low-Income Fund Charge and other charges as approved by the Commission.

**DEFINITION OF TERMS (Continued)**

**Delivery Service Customer** – A Customer who takes Delivery Service.

**Demand** – The rate of use of energy during a specified time interval, expressed in kilowatts.

**Designee** – Any adult person, partnership, association, corporation or other entity who is authorized by the Customer to receive their electric metered and billing data.

**Distribution Service Charge** – A charge designed to recover the cost of those services related to the delivery of electricity to a Customer by the Company through the Company's Distribution Facilities.

**Distribution Facilities** – Electric facilities owned by the Company that operate at voltages of 34,500 volts or below and that are used to deliver electricity to Customers, up through and including the point of physical connection with electric facilities owned by the Customer.

**Electric Supplier** – A person, corporation, broker, marketer or entity other than the Company, certified by the Commission that sells electricity, to an electric retail Customer, utilizing the Transmission and/or Distribution Facilities of the Company.

**Electric Supply & Delivery Service** – The provision of electric distribution and other services provided by the Company to a Customer who buys all of its electric supply services (i.e., capacity, energy, transmission and ancillary) for an account from the Company. Electric Supply & Delivery Service includes Delivery Service, Transmission Service and Standard Offer Service or Hourly Priced Service and associated charges.

**Electric Supply & Delivery Service Customer** – A Customer who takes combined Electric Supply & Delivery Service.

**Environmental Incentive Fund and Charge** – A fund established under 26 Del. C. §1014(a) and collected from every Customer based on energy usage which is used to fund environmental programs for conservation and energy efficiency within the Company's service territory.

**Hourly Priced Service (“HPS”)** – The provision of electricity and related services to Customers by the Company. The Hourly Priced Service is a non-residential service for eligible customers and is designed to recover the current market cost of producing or procuring electricity for the Company's combined Electric Supply & Delivery Service Customers. The Hourly Priced Service charge includes the current market price for capacity, energy, ancillary services for the Company's service territory and all applicable taxes.

**kW, kilowatt** – 1,000 watts.

**kWh, kilowatt-hour** – 1,000 watts for one (1) hour, or 1,000 watt-hours

**Low-Income Fund and Charge** – A fund established under 26 Del. C. §1014(b) and collected from every Customer based on energy usage which is used to fund low income fuel assistance and weatherization programs within the Company's service territory.

**Marketer** – A person that purchases and takes title to electricity for sale to retail electric customers.

**DEFINITION OF TERMS (Continued)**

**Peak Load Contribution for Capacity (Capacity PLC)** – The Customer’s contribution to the PJM system peak load, as defined by PJM. The method to determine a Customer’s Peak Load Contribution is defined in the Supplier Operating Manual, which is available on the Company website at [www.delmarva.com](http://www.delmarva.com).

**Peak Load Contribution for Transmission (Transmission PLC)** – The Customer’s contribution to the Delmarva zone’s peak transmission load, as defined by PJM. The method to determine a Customer’s Peak Load Contribution is defined in the Supplier Operating Manual, which is available on the Company website at [www.delmarva.com](http://www.delmarva.com).

**PJM Interconnection, LLC or (“PJM”)** – the Pennsylvania-New Jersey-Maryland Independent System Operator that is responsible for the operation and control of the bulk electric power system throughout all or portions of Delaware, Pennsylvania, New Jersey, Maryland, Virginia and District of Columbia.

**Premises** – A premises is one contiguous property or site which normally has one delivery point of service and one or more metered or unmetered rate or service classes, each of which is an account, that when totaled equal the entire electricity used at that one premises or site. A premise may have more than one account with each account having one electric supplier providing full electric supply requirements. Multiple premises or sites under the same name are considered multiple Customers.

**Procurement Cost Adjustment (PCA)** – The Procurement Cost Adjustment is an adjustment made in order to true-up the rates Customers are billed to reflect the Company’s actual costs of providing Standard Offer Service.

**Reasonable Allowance for Retail Margin (“RARM”)** – a charge intended to recover incremental expenses and carrying charges incurred in the provision of Standard Offer Service and Hourly Priced Service. This charge is embedded in the supply rates for FP-SOS customers. For customers meeting the eligibility requirements for HPS, it is a delivery charge applied to all HPS customers, regardless of whether or not the customer takes HPS.

**Retail Competition** – The right of a Customer to buy electric supply services from an Electric Supplier.

**Standard Offer Service (SOS)** – Electricity service which the Company must offer to eligible customers who do not otherwise receive electricity from an Electricity Supplier. SOS is provided in two forms: Fixed Price SOS (FP-SOS) and Hourly Priced Service (HPS).

**Transmission Service Charge** – A charge designed to recover the cost of those services related to the delivery of electricity by the Company from supply sources through Transmission Facilities.

**Transmission Facilities** – Electric facilities owned by the Company that operate at voltages above 34,500 volts and that are used to transmit and deliver electricity to Customers (including any Customers taking electric service under interruptible rate schedules as of 12/31/98) up through and including the point of physical connection with electric facilities owned by the Customer.

## RULES AND REGULATIONS

SECTION I - GENERAL

## A. Filing and Posting

This Electric Service Tariff is supplemental to the Public Utilities Act of 1974 as amended, and to the Electric Utility Restructuring Act of 1999, and to the "Regulations Governing Service supplied by Electrical Corporations" of the Public Service Commission of Delaware and comprises the Rules and Regulations of service and the Service Classifications under which electricity shall be delivered and supplied to its Customers by Delmarva Power & Light Company. A copy of this Tariff is on file with the Public Service Commission of Delaware and open to inspection in each of the offices of the Company.

## B. Revisions

This Tariff may be revised, amended, supplemented or otherwise changed from time to time, in accordance with rules and procedures of the Public Service Commission of Delaware.

## C. Statement by Agents

No representative has authority to modify any rule or provision of this Tariff, or to bind the Company by any promise or statement contrary thereto, unless the same shall be incorporated in a contract.

## D. Rules and Regulations

The Rules and Regulations are a part of every contract for service and govern all classes of service unless otherwise specifically stated by a Service Classification.

## E. No Prejudice of Rights

The failure by the Company to enforce or the decision not to enforce any of the provisions of this Tariff shall not be deemed a waiver of the right to do so.

## F. Gratuities to Employees

The Company's employees are strictly forbidden to demand or accept any personal compensation, or gifts, for service rendered.

## G. Resolution of Disputes

When an Applicant or Customer has an issue to resolve with the Company, they should first contact the Company to resolve the issue. The Company and the Applicant or Customer shall use good faith and reasonable efforts to informally resolve the issue. If the Applicant or Customer wishes to file a formal complaint to resolve a dispute involving the Company, they may do so through the use of the procedures of the Division of the Public Advocate or the Public Service Commission of Delaware.

When an Applicant or Customer has an issue to resolve with an Electric Supplier, other than the Company, the Applicant or Customer should first contact that Electric Supplier to resolve the issue. If the Applicant or Customer contacts the Company, the Company will make every effort to assist them toward possible solutions. The Company is under no obligation to resolve disputes between an Applicant or Customer and an Electric Supplier. If the Applicant or Customer wishes to file a formal complaint to resolve a dispute involving an Electric Supplier, they may do so through the use of the procedures of the Division of the Public Advocate or the Public Service Commission of Delaware.

Resolution of disputes between the Company and an Electric Supplier are addressed under an Electric Supplier Agreement.

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE

## A. Application for Service

An application for service may be required from each Customer. This application when executed by the Company constitutes the contract between the Company and the Customer, subject to the terms of the applicable Service Classification, and these Rules and Regulations. Charges for service shall begin at the time service is made available to the Customer.

An application for service can either be for Delivery Service or for combined Electric Supply & Delivery Service. Delivery Service is the provision of electric distribution and related services provided by the Company to a Customer who exercises its right and purchases all of its electric supply services for an account from an Electric Supplier, other than the Company. Combined Electric Supply & Delivery Service is the provision of electric distribution and related services provided by the Company to a Customer who purchases all of its electric supply services for an account from the Company. The Customer shall obtain full electric supply requirements for each account from an Electric Supplier or from the Company's combined Electric Supply & Delivery Service. An account is one metered or unmetered rate or service classification which normally has one electric delivery point of service.

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for each account for at least the first billing month, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date.

A Customer, who has the right to purchase electric supply services from an Electric Supplier, can switch to an Electric Supplier, at no direct charge, on its next scheduled meter reading date only after the Company has received fifteen (15) calendar days advance notice from the Customer's new Electric Supplier of the Customer's decision to switch. If a Customer requests to switch to an Electric Supplier or to the Company's electric supply, on an unscheduled meter reading date, the Customer shall be charged twenty-five dollars (\$25) per premises for that special meter reading service. When the Customer exercises the right to purchase electric supply services from an Electric Supplier for an account, the Customer must purchase all of its electric supply services for the entire account from one Electric Supplier. The Customer may not have multiple electric suppliers for one account at the same time.

A Customer who has purchased its electric supply services from an Electric Supplier other than the Company, and then returns to the Company for electric supply services, shall be served under the Company's Standard Offer Service and must remain with the Company's Standard Offer Service until its next scheduled meter reading date before that account may be served by an Electric Supplier.

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE (Continued)

The Company reserves the right to require reasonable evidence of the Applicant's identity and service address satisfactory to the Company and to make a reasonable investigation of such prior to rendering service. The Company reserves the right to require a written application from any Applicant executed in a form satisfactory to the Company.

**B. Right to Reject Application**

The Company may reject any application for service if the Applicant, or the Applicant's Electric Supplier, does not meet all the requirements of the Rules and Regulations of this Tariff. The Applicant shall be given the reason or reasons for rejection of the application for service, in writing if requested.

**C. One Point of Delivery**

The Service Classifications of this Tariff, unless otherwise stated, are based upon the service to one entire premises through a single delivery and metering point. The Company shall provide only one metering installation for each class of service. The use of service at two or more separate properties shall not be combined for billing purposes.

The Company reserves the right to deliver service to more than one point where the Customer's load or service requirements necessitate such delivery. This procedure is applicable to other public utilities and large industrial or commercial customers having extensive operations in a contiguous area. Where the Customer desires an extra delivery circuit not necessitated by load or service requirements, the Customer shall pay the costs of the additional facilities, including any applicable taxes associated with Contributions in Aid of Construction or otherwise.

**D. Service at New Locations**

Service at new locations shall be rendered only when all bills for service to the Customer at any other locations have been paid, or credit arrangements satisfactory to the Company have been made.

**E. Distribution of Customer's Metered and Billing Data**

Upon the Customer's request, the Company will provide the Customer's historical electric metered and billing data to the Customer or its designee at the Customer's expense. The charge for each Customer's twelve (12) months of historical metered and billing data is \$5.00 per request, not to exceed the charge for five (5) customer accounts per request. There is no charge for the Customer's historical monthly or interval metered and billing data when initially distributed as part of the Customer's retail competition enrollment package

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE - (Continued)

## F. Service Contracts

Standard contracts shall be for terms as specified in the applicable Service Classification. Where large or special investment is necessary for delivery service, or where service is to be used for temporary, seasonal or unusual purposes, contracts for terms other than specified in the Service Classification, or with special guarantees of revenue, or both, may be required. The size of any required Contribution in Aid of Construction shall include all applicable taxes.

## G. Temporary Service

Temporary Service is service, ordinarily not recurrent in nature, required for temporary construction power, structures or locations. Temporary Service shall be rendered only when and where the Company has the necessary facilities available to render the service applied for, without detriment to the service of other Customers.

The Customer shall pay the cost of installation and removal of required facilities installed for the sole purpose of the temporary service, based on a flat charge for standard facilities as stated below, or the actual costs for nonstandard facilities, including any applicable taxes associated with a Contribution in Aid of Construction or otherwise. A deposit may be required, in advance, sufficient to cover the installation and removal, materials not returnable, and the estimated cost of the applicable Delivery Service or combined Electric Supply & Delivery Service. Where facilities are endangered by construction or proposed usage, the Customer may be required to own and maintain the transformers.

Flat Charge for Standard Facilities

1.	Single-Phase Underground or Aerial Service	\$150
2.	Single-Phase Aerial Service with two spans of wire	\$345
3.	Single-Phase Aerial Transformer, Ground, and Primary Connection	\$600
4.	Three-Phase Aerial Transformer Bank, Ground, and Connection	\$1425

Temporary Service is available only under Service Classifications "SGS-ND", "MGS-S", "LGS-S", "GS-P", or "ORL" on a short-term basis. The minimum monthly bill for this Service shall be as specified under the provisions of the applicable Service Classification. The Customer is required to inform the Company when Temporary Service is no longer needed.

## H. Seasonal Service

Seasonal Service is service required for periods of less than one (1) year to permanent structures or at the same location annually, usually at the same season of the year. When a Customer takes Seasonal Service rendered under Service Classification "R", "R-TOU", "R-TOU-ND", "R-TOU-SOP", "SGS-ND", "MGS-S", "LGS-S", "GS-P", or "ORL", the monthly bill, as calculated in accordance with the standard rate table, including any minimum bills, and before the application of any applicable electric supply service charges for combined Electric Supply & Delivery Service, or any tax imposed under governmental authority upon the Company's sales, shall be increased by twenty-five percent (25%).

## RULES AND REGULATIONS

SECTION II - APPLICATION AND CONTRACT FOR SERVICE - (Continued)

## I. Rights-of-Way/Permits

## 1. General

The Applicant requesting electric delivery service shall furnish, without expense to the Company, suitable rights-of-way or permits on forms provided by the Company for the installation of facilities on, over, under and across the premises of the Applicant for the purpose of providing electric delivery service to the Applicant and to the premises and other users in the vicinity.

If it is necessary to acquire such rights or permits from others, such as abutting property owners, lessors, railroads, etc., in order for the Company to serve the Applicant, then the Applicant shall be responsible for obtaining such rights or permits as the Company deems necessary.

Where, due to the nature of the property to be served, the Company finds that the exact boundaries are of critical importance, the Applicant shall locate and mark such boundaries to the reasonable satisfaction of the Company.

The Applicant shall be responsible for clearing all trees, tree stumps and other obstructions from the construction area as designated by the Company, said clearing to be completed in reasonable time to meet service requirements. The Company shall be responsible for any additional tree trimming that may be required for the clearance and safety of its facilities.

The construction area as designated by the Company shall be graded to within six (6) inches of final grade before the Company will commence construction.

If subsequent to construction start-up, the Company is required to relocate or adjust any of its installed facilities due to change in grade, adjustments of property lines or change in plans, the cost of such relocation, including any applicable taxes associated with a Contribution in Aid of Construction or otherwise, shall be borne by the Applicant, its successors or assigns.

The Company shall own, operate, and maintain underground distribution lines only along public streets, roads, and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained within a reasonable time and without cost or condemnation by the Company.

## 2. Required Property Information

The Applicant shall furnish as required by the Company, at no charge to the Company, property plats, utility plans, grading plans, roadway profiles, property line stakes, grade stakes and other items showing details of proposed construction. This information is required in reasonable time to allow the Company to design and construct its facilities in a safe and efficient manner to meet service requirements and to comply with applicable laws, codes and rules and regulations.

## J. Hazardous Conditions

The Applicant shall notify the Company of any hazardous conditions which employees may encounter on the Customer's property while installing or maintaining service. Where hazardous conditions exist which may affect the welfare of Company employees, the Company reserves the right to withhold service or require the Applicant to provide a non-hazardous route for necessary service facilities. The Applicant shall be responsible for all costs required of the Company to meet applicable environmental, or other hazardous condition laws required of employees specifically for installation of the Applicant's service.

## RULES AND REGULATIONS

SECTION III - CUSTOMER'S DEPOSIT

## A. Customer's Deposit to Guarantee Payment of Final Bills

The Company shall require a cash deposit from an Applicant or an existing Customer for each account until satisfactory credit is established to guarantee payment of final bills for service rendered. The Company reserves the right to hold either an aggregate deposit for all accounts for a single Customer or multiple deposits for separate accounts for a single Customer. Where the Company holds more than one deposit for separate accounts for the same Customer, the Company shall administer each deposit individually. Such deposit shall not be more in amount than two-twelfths (2/12) of the estimated annual applicable Delivery Service revenue or combined Electric Supply & Delivery Service revenue, or as may be reasonably required by the Company in cases involving service for short periods. Service may be denied or terminated for failure to pay a deposit when requested. Deposits shall not be applied against current delinquent bills.

Deposits shall be collected in whole dollar amounts. A deposit shall not be required if the amount is less than fifty dollars (\$50).

Required deposits may be deferred at the Customer's request to the first month's bill or may be paid in installments over three (3) consecutive monthly billing periods. Customers with prior unpaid balance may be required to pay the full deposit prior to establishing new service.

Simple interest on deposits at an annual rate equal to the average of the percent yields of the 1-year Treasury constant maturities for September, October, and November of the preceding year, shall be applied annually as a credit to the Customer's account and so indicated on the January bill. No interest shall be paid unless the deposit is held longer than ninety (90) days. For deposits paid in installment payments, interest shall begin to accrue from the date of final deposit payment. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated or on the date notice is sent to the Customer's last known address that the deposit is no longer required. Deposits shall be refunded after one (1) year for Residential deposits and after four (4) years for Non-Residential deposits and after satisfactory credit has been established. Satisfactory credit is defined as payment of the last twelve (12) consecutive monthly bills without an unpaid previous balance and no detrimental credit information recorded against the Customer's account within the last twelve (12) months. Detrimental credit information is defined as adverse credit reports from recognized credit reporting services available to the general business community or from accounting records of the Company.

## RULES AND REGULATIONS

SECTION IV - PAYMENT TERMS

## A. Billing Period

Rates are stated on a monthly basis and bills are rendered monthly following the delivery of service based on meter readings scheduled at approximate monthly intervals of 27 to 33 days. Except as provided in the following sentence, the bill shall only be prorated if one of the following conditions are met: a) a final bill is being rendered for a termination of service; b) an initial bill is being rendered for a new customer; or c) a LGS-S, GS-P, or GS-T customer requests a change in its meter reading route or billing cycle to which the Company has agreed. In addition to the foregoing, proration shall be permitted to the extent authorized or required by the Commission in conjunction with a change in rates that becomes effective for usage on and after a particular date or billing cycle.

## B. When Bills are Payable

All bills are due and payable upon presentation.

## C. Estimated Bills

When the Company's meter reader is unable at any regular reading date to read the Customer's meter, the Company may estimate the Customer's electric usage and render an estimated bill in accordance with its policy on file with the Commission.

## D. Customer's Billing Option

Before the Customer has the right to purchase electric supply services from an Electric Supplier, the Company shall provide the combined Electric Supply & Delivery Service for the Customer and the Company shall issue one consolidated bill to the Customer for that delivery, transmission and electric supply service.

When the Customer has the right to choose an Electric Supplier, the Customer shall also have the right to select one of the following billing options, to the extent that the Customer is not constrained by the Customer's agreement with its Electric Supplier:

1. One consolidated bill from the Company, which includes both of the Company's Delivery Service charges and the Electric Supplier's charges; or
2. One consolidated bill from the Electric Supplier, which includes both of the Electric Supplier's charges and the Company's Delivery Service charges. The Company's avoided billing cost is zero; or
3. Two separate bills: One bill from the Company for Delivery Service charges and the other bill from the Electric Supplier for its charges.

If, at any time, the Customer has not exercised the right to select one of the three billing options above, then the Company shall issue one consolidated bill to the Customer for the Company's Delivery Service and for the Customer's Electric Supplier Service.

If, at any time, the Customer receives the combined Electric Supply & Delivery Service from the Company, then the Company shall issue one consolidated bill to the Customer for both the delivery, transmission and electric supply services.

## RULES AND REGULATIONS

SECTION IV - PAYMENT TERMS (Continued)

## E. Payment Posting Sequence

When the Company is providing consolidated billing for the combined Electric Supply & Delivery Service, or providing consolidated billing for Delivery Service and the Customer's Electric Supplier services, or when the Company is providing separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Company's Gas Utility Sales Service or Delivery Service, where applicable.
3. Arrears by vintage priority for Electric Supplier or Gas Supplier prior charges, where applicable. For an Electric Supplier's arrearage and a Gas Supplier's arrearage with the same vintage, the Electric Supplier's arrearage has priority over the Gas Supplier's arrearage.
4. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
5. Current charges for the Company's Gas Utility Sales Service or Delivery Service, where applicable.
6. Current charges for Electric Supplier charges, where applicable.
7. Current charges for Gas Supplier charges, where applicable.

## F. Returned Checks

Checks given in payment for any bills or charges rendered which are returned to the Company unpaid by the Customer's bank, shall result in an additional charge of fifteen dollars (\$15) per check, per occurrence, which charge shall be levied against the Customer's account. Proper notice of the returned check and the charge shall be mailed to the Customer by first class mail. Where the returned check is for combined electric Delivery Service or combined Electric Supply & Delivery Service and gas service, this charge shall be assessed for only one of these services.

The Company shall automatically waive this charge provided the returned check was the first occurrence in the most recent twelve (12) months.

## G. Late Payment Charge

Bills are due and payable upon presentation. If payment for the applicable Delivery Service bills or for combined Electric Supply & Delivery Service bills rendered is not received by the Company prior to the next scheduled meter reading date, a late payment charge of one and one-half percent (1-1/2%) of the unpaid balance, less applicable taxes, shall be added to the next billing unless prohibited by law. Payments shall be credited as prescribed under Payment Processing of this section.

The Company, shall automatically waive the first late payment charge within the last twelve (12) consecutive billing months for Residential Customers. After an automatic waiver, the Residential Customer shall not be eligible for the next automatic waiver until the twelfth billing month following the billing month of the previous waiver.

## RULES AND REGULATIONS

SECTION IV - PAYMENT TERMS (Continued)

## H. Installment Payments

Any Customer may request an installment payment as an optional means for payment of the applicable Delivery Service charges or combined Electric Supply & Delivery Service charges and to avoid service termination resulting from those delinquent charges. An installment payment agreement constitutes a contract between the Customer and the Company, which guarantees payment by the Customer for the amount of the agreement over the specified period. Installment payment agreements shall be made through an authorized Company representative. All requests for installment payment agreements are subject to Company approval and the Company may require these agreements to be signed by the Customer and by a Company-authorized employee. A service charge of one-half percent (1/2%) per month shall be applied on the unpaid balance due under this agreement. The balance amount of the agreement is not subject to the provisions of the late payment charge.

Failure of the Customer to meet the conditions of this installment payment agreement including prompt payment of the current bill shall constitute a breach of this agreement and entitle the Company to pursue collection and termination procedures pursuant to the applicable rules and regulations of the Public Service Commission of Delaware.

## I. Budget Billing

Budget billing provides a Delivery Service payment plan or a combined Electric Supply & Delivery Service payment plan which allows Customers to levelize their monthly bills. The Budget Billing Plan is available to all Residential Customers and to any Non-Residential Customer whose monthly maximum measured demand is less than 300 kW. Non-Residential Customers may be initially placed on the plan only in the billing months of April, May, October or November. Any such qualifying Customer who does not have a delinquent Delivery Service balance outstanding or a delinquent combined Electric Supply & Delivery Service balance outstanding may elect to be placed on budget billing. Under this plan, the Customer shall be billed for eleven months on an estimated budget amount basis with the twelfth month as the settlement month. The billing for the settlement month shall consist of the difference between the actual amount due to date and the budget amount paid to date.

## RULES AND REGULATIONS

SECTION V - ADMINISTRATION OF SERVICE CLASSIFICATION

## A. Load Inspections

When the delivery of service is under Service Classifications which base the billing demand or minimum charge upon the Customer's connected load, the Company's representative shall have access to the premises at reasonable times to inspect and count the connected load.

## B. Billing Charges

When demands are reassessed or redetermined, or power factor recomputed or remeasured as the result of an investigation made at the Customer's request or by routine inspection, the change of billing to the new demand or power factor shall first apply to the bill for the month during which the investigation is made.

## C. Choice of Service Classification

When two or more Service Classifications are available for the same class of service, the Customer shall select the Service Classification to be applied.

## D. Company Assistance

The Company, upon request, shall assist the Customer in the selection of the most advantageous Service Classification, but the duty and responsibility of making the selection shall at all times rest with the Customer.

## E. Changing Service Classifications

When a Customer has selected the Service Classification, its application shall remain in effect for the contract term which the Service Classification specifies.

RULES AND REGULATIONS

SECTION VI - CUSTOMER'S INSTALLATION

A. Customer's Wiring

All of the Customer's wiring and appurtenances shall be furnished and installed by the Customer.

The Company may delay the construction of an extension and/or service until the Applicant (or Applicants) has completed the wiring and installation of the equipment necessary to receive and use service.

B. Description of Installation

The Customer, before connecting or purchasing any substantial electrical equipment, shall present in writing to the Company a list of devices which are to be installed, giving the location of the proposed installation, so that the Company may advise the Customer of the character of the service the Company shall furnish and the point at which service shall be connected and metered.

In those cases where the Company deems it necessary, the Customer shall present in writing complete specifications of equipment, loads, location plans, vaults, cable runs, substations and other data required, so that the Company may advise the Customer of the character of the service the Company shall furnish, the point at which it shall be connected and metered and any other requirements associated with the special conditions of the service.

C. Electrical Inspection

All new wiring and equipment and changes in wiring and equipment, shall conform to the standards of the National Electrical Code and those of local public authorities in force at the time.

The Company shall render service only after receipt by the Company of a notice of approval issued by the duly recognized inspection agency.

D. Reverse Phase Relay

The Customer shall install at its expense a reverse phase relay of approved type on all motors and other equipment where a definite direction of rotation must be maintained.

E. Phase Protection

The Customer shall install at its expense suitable voltage or current type devices which will protect its equipment from damage in the event of phase outages.

F. Motors

The Customer shall advise the Company of the proposed requirements of the type of motor and starting current of the Customer's equipment, as well as the voltage and phase of service which are desired.

The Company reserves the right to refuse service to single phase motors rated five (5) horsepower or more and to polyphase motors rated less than five (5) horsepower and to polyphase motor installations having a total rating less than six (6) horsepower.

## RULES AND REGULATIONS

SECTION VII – SERVICE, EXTENSION AND TRANSFORMER INSTALLATIONS

## A. General

Services as used in this section refers to overhead or underground conductors and associated materials that are installed on private property between the Company's electric system and the point of connection with the Applicant's wiring. Such point shall generally be near the corner of the building nearest the point at which the electric service enters the property to be served and must be such that the service will be clear of obstructions and adequately supported. The Company's system facility from which the service is installed may be on public or private right-of-way. Service facilities shall not be installed inside or under the Applicant's residence or building. Services shall be installed either overhead or underground, in accordance with the rules and regulations of the Public Service Commission of Delaware, and shall be designed and constructed consistent with good engineering practices.

Extensions, as used in this section, refer to overhead or underground conductors and associated materials that must be constructed along public streets, roads and highways, or on private property from the Company's existing electric system to the Applicant's lot line. Among other things, this includes the facilities installed within subdivisions. Extensions shall be designed according to accepted industry practices to provide adequate service and shall be installed in accordance with the Rules and Regulations of the Public Service Commission of Delaware. Any modifications requested by the Applicant must be approved by the Company and any additional costs, including any applicable taxes associated with a Contribution in Aid of Construction or otherwise, resulting there from shall be borne by the Applicant. The calculation of the additional cost shall be based on a standardized costing approach that includes all costs, including but not limited to: actual expenses incurred for materials and labor (including both internal and external labor) employed in the design, purchase, construction and/or installation; costs of permits and rights-of-way acquisition; corporate, overheads, and other loading factors, and any applicable taxes associated with a Contribution in Aid of Construction or otherwise.

## B. Applicant's Responsibilities and Requirements

The Applicant shall complete an application for electric service and provide a scaled site plan showing the proposed meter location and any underground obstructions prior to the Company beginning design. The Applicant shall be responsible to provide to the Company all of the following prior to the installation of the Company owned facilities:

1. Pay any required fees for new service.
2. Right of Way for Company owned facilities on and off property. Refer to Rules and Regulations Section II.
3. A completed and signed Construction Agreement.
4. Provide and install Company approved meter enclosure, at a location designated by the Company.
5. The Company shall render service only after receipt by the Company of a notice of approval issued by the duly recognized inspection agency.
6. A path, clear of all obstacles, for the installation and maintenance of Company owned facilities.
7. The Applicant shall be responsible for the installation of all necessary conduits, manholes, and transformer pads on their property and they shall be installed in accordance with Company specifications.
8. The construction area, as designated by the Company, will be within six inches of final grade, unless otherwise agreed to by the Company.
9. Adequately mark and uncover existing and proposed privately owned facilities.

## RULES AND REGULATIONS

SECTION VII – SERVICE, EXTENSION AND TRANSFORMER INSTALLATIONS - (Continued)

## B. Applicant's Responsibilities and Requirements (continued)

Where the Applicant requests the Company to install facilities which are more costly than those normally furnished, and the Company agrees, the Applicant will be charged the difference in cost. Where the Applicant, by virtue of site conditions, causes a more costly than normal installation or maintenance, the Applicant will be charged the difference in cost. The calculation of the difference in cost shall be based on a standardized costing approach that includes all costs, including but not limited to: actual expenses incurred for materials and labor (including both internal and external labor) employed in the design, purchase, construction and/or installation; costs of permits and rights-of-way acquisition; corporate overheads (including engineering, supervision and administrative and general costs) and other loading factors, and any applicable taxes associated with a Contribution in Aid of Construction or otherwise.

## C. Service Installations

## 1. Residential Services

The Company shall install, own, and maintain all new services to the point of connection with the Applicant's wiring. The Company will provide the service to the customer using the most direct route to the customer's nearest corner. If, upon mutual agreement between the Applicant and the Company, a service is installed is not to the closest corner, the Applicant shall be charged for the additional installed cost based on the average installed cost per foot for residential services installed during the preceding calendar year, as described below. The metering point is typically located on the outside wall of the building to be served. However, the metering point may be located at the property line or elsewhere on the property upon mutual agreement between the Applicant and the Company. If the service exceeds 300 feet, the Applicant shall pay the Company the additional installed cost for the length greater than 300 feet, based on the average installed cost per foot for residential services installed during the preceding calendar year. Any such payments shall not be waived or refunded. The calculation of the average installed cost per foot shall be based on a standardized costing approach that includes all costs, including but not limited to: actual expenses incurred for materials and labor (including both internal and external labor) employed in the design, purchase, construction and/or installation; costs of permits and rights-of-way acquisition; corporate overheads (including engineering, supervision and administrative and general costs) and other loading factors, and any applicable taxes associated with a Contribution in Aid of Construction or otherwise. In addition, for a three phase residential service, the Applicant shall be charged the costs in excess of the total cost to provide normal single phase residential service, excluding the transformer cost.

## 2. Non- Residential Services

Non-Residential Service refers to the overhead and underground primary and/or secondary facilities that are located on the Applicant's property and extend to the point of attachment to the Company's electric system.

For single metered service, all service facilities, including primary and secondary, from the Company's distribution point to the point of attachment to the Customer's electric system shall be installed, owned and maintained by the Customer. Upon the Customer's request, the Company may, but is not required to, install the service at the Customer's expense. Upon the Customer's request, the Company may assume, but is not required to assume, ownership and maintenance responsibilities of these facilities provided they are installed in accordance with the Company's specifications. In the event that ownership is transferred to the Company, the Company may require an additional contribution to reflect any tax consequences resulting from the contribution of the facilities.

## RULES AND REGULATIONS

SECTION VII – SERVICE, EXTENSION AND TRANSFORMER INSTALLATIONS - (Continued)

## C. Service Installations (continued)

For multi-metered service, all service facilities, other than the secondary services, shall be installed, owned and maintained by the Company. Upon the Customer's request, the Company may, but is not required to, install the secondary services at the Customer's expense. Upon the Customer's request, the Company may assume, but is not required to assume, ownership and maintenance responsibilities of these facilities provided they are installed in accordance with the Company's specifications. In the event that ownership is transferred to the Company, the Company may require an additional contribution to reflect any tax consequences resulting from the contribution of the facilities.

For Company required work for installation of a service, the estimated revenue should be compared to the total estimated investment to determine if a contribution, including any applicable taxes associated with the Contribution in Aid of Construction, is needed.

## D. Extensions

1. The Company shall provide, own and maintain extensions. The Company's investment in line extensions shall be limited to three (3) times the related estimated annual Delivery revenue, excluding all electric Transmission service and supply services revenue ("Estimated Revenue"), from customers to be initially served from the extension. Where such Estimated Revenue does not justify the estimated investment in the extension, the Applicant shall provide a financial guarantee in accordance with Section E below.
2. For the purpose of definition, those Customers to be initially served shall be considered as houses or multiple occupancy buildings under construction at the time the contract for the extension is signed. As additional facilities are needed to serve additional Customers, the Applicant may be required to make additional financial guarantees or may receive a refund accordingly.
3. Where Customers are served from private facilities, the Company may, upon request, provide maintenance to such facilities with all costs borne by the Customer. Upon the Owner's request, the Company at its sole discretion may assume, but is not required to assume ownership and maintenance responsibilities of private facilities. In the event that ownership is transferred to the Company, the Company may require an additional contribution to reflect any tax consequences resulting from the contribution of the facilities

## E Financial Guarantees for Extensions

Financial Guarantees required for extensions shall be the amount equal to the estimated installed cost of the extension less three (3) times the estimated annual Delivery revenue, excluding all Transmission Service revenue and electric supply and ancillary services revenue, from the Customer to be initially served from the extension. Financial Guarantees may be made by deposit, Letter of Credit or other financial instruments at the Company's discretion.

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RULES AND REGULATIONS  
SECTION VII – SERVICE, EXTENSION AND TRANSFORMER INSTALLATIONS - (Continued)

E. Financial Guarantees for Extensions cont'

Should the Applicant provide a deposit it will be returned to the Applicant (without interest) in an amount equal to three (3) times the estimated annual Delivery and Transmission Service revenue, excluding all electric supply and ancillary services revenue, from new Customers as each new Customer completes its permanent service connection directly from the extension for which the deposit. Any portion of the deposit remaining unrefunded after five (5) years from the date the guarantee is provided shall be retained by the Company.

Should the Applicant provide a Letter of Credit or other Financial Instrument, the estimated revenue attributable to the extension shall be examined prior to the Letters' or other Instruments' expiration. The Company shall draw on the Letter of Credit or Instrument where a continued financial guarantee is still required. Such draw shall then be considered a deposit under the above section.

F. Modification or Relocation of Existing Services

Any modifications or relocations of existing Company-owned services shall be made by mutual agreement of the Company and the Customer, at the Customer's expense. In the Company's opinion, when such relocations or portion of such relocation are deemed to benefit the Company, the resulting cost will be prorated between the Company and the Customer accordingly. Any charges to the Customer for such modifications or relocations shall not exceed the Company's costs, including applicable taxes. Any costs charged to the Customer shall be all inclusive or a prorated portion of all costs, including actual expenses incurred for materials and labor (including both internal and external labor) employed in the design, purchase, construction and/or installation; costs or permits, rights-of-way acquisition; corporate overheads (including engineering, supervision and administrative and general costs) and other loading factors, and any applicable taxes associated with a Contribution in Aid of Construction or otherwise.

In the event the Company shall be required by any public authority to place underground or relocate any portion of the Company's electric system, the Customer, at its expense, shall make the necessary changes in the location of its facilities to accommodate such changes. Where obstructions prevent direct access to the Company's existing facilities, the Customer will be charged the total cost, including applicable taxes, for all relocation costs.

G. Transformer and Meter Installations

The Company shall make transformer or meter installations on public rights-of-way only as permitted by the regulations of the public authorities. The type of metering or load requirements may require the Customer to provide for the installation of transformer facilities on private property.

H. Privately Owned Facilities

Where a Customer is served from privately owned facilities, the Company at its sole discretion, may, upon request by the Customer, provide maintenance to such privately owned facilities with all costs borne by the Customer.

Upon agreement between the owner of privately owned residential facilities and the Company, the Company at its sole discretion, may assume ownership and maintenance responsibilities of the residential facilities provided they are installed in accordance with, or upgraded to, the Company's specifications.

RULES AND REGULATIONS  
SECTION VIII - METER INSTALLATIONS

A. Meters Provided by the Company

The Company shall normally furnish, install, maintain, and own one (1) set of metering equipment for measurement of the service provided under each contract.

When a Customer, Electric Supplier or other party wants the Company to install alternative metering and associated equipment that is different than that which is normally provided under the Customer's Service Classification, the Customer shall make the request to the Company. The Customer shall be informed before the alternative metering equipment is installed of the amount that they will be charged for the meter exchange and any cost differential between the normally furnished meter and the alternative metering equipment, including any applicable taxes associated with a Contribution in Aid of Construction or otherwise. The Company shall make reasonable efforts to furnish, install and maintain such metering equipment for the Customer, provided that such alternative metering equipment meets the Company's electrical and data processing standards. The Company shall own such alternative metering equipment. When the Customer wants an electronic communication link for remote access of the alternative metering equipment, the Customer shall make all arrangements and shall maintain that communication link at its expense. Unless authorized by the Company, only the Company shall have access, directly or remotely, to the alternative metering equipment. Upon the Customer's authorization, the metered data from such alternative metering equipment shall be provided to its designee at the Customer's expense.

B. Meter Locations

The Company shall designate the location of meters.

For secondary or primary metered installations, the Customer shall provide a support or other facility as required for mounting of metering equipment.

Where multiple meters are required, each meter position shall be clearly and visibly marked so that each meter position is identified as to the location to which service is being supplied. Meters shall not be installed by the Company until this has been accomplished.

C. Right to Remove Company's Equipment

All meters, instrument transformers or other service equipment supplied by the Company shall remain its exclusive property. The Company shall have the right to remove all its property from the premises of the Customer at any time after the termination of service, whatever may have been the reason for such termination.

D. Reverse Registration

The Company may, by ratchet or other device, control its meters so as to prevent reverse registration.

E. Meter Tests

The Company shall test single phase, self-contained watt-hour meters in accordance with a Statistical Sampling Plan for existing meters and with a New Meter Sample Testing Plan for new meters acceptable to the Delaware Public Service Commission. All other meters shall be tested by the Company in accordance with its periodic test schedule and in a manner prescribed by the Delaware Public Service Commission. Meter tests performed at the request of a Customer shall be made in accordance with Section IX-D.

## RULES AND REGULATIONS

SECTION VIII - METER INSTALLATIONS - (Continued)

## F. Remote Reading Devices

The Company, at its discretion or upon request from a Customer, may install remote reading devices, subject to available technology. Remote reading devices shall be owned, installed and maintained by the Company. When requested by the Customer and approved by the Company, such installation shall be made at cost payable by the Customer, including any applicable taxes associated with a Contribution in Aid of Construction or otherwise. The location of the remote reading device shall be subject to Company approval.

A periodic verification reading must be taken on the meter and the remote reading device. The Company shall notify the Customer when the periodic verification is required. The Company shall determine the frequency of verification required based on the technical characteristics of the installed equipment and its in-service performance. Service shall be subject to disconnection if the Customer fails to make arrangements with the Company for a verification reading within 60 days after written notice is provided.

In cases of dispute, the Company's meter shall be used as the final determinant in measuring consumption and in all cases shall take precedence over any readings on remote reading devices.

## G. Unscheduled Meter Reading

When a Customer requests to switch to an Electric Supplier or to switch to the Company's electric supply services for the same account, on an unscheduled meter reading date, the Customer shall be charged twenty-five dollars (\$25) per premises for that special meter reading service.

## RULES AND REGULATIONS

SECTION IX - ADJUSTMENT OF CHARGES

## A. Fast Watt-Hour Meter

Whenever a watt-hour meter in service is found to have a positive average error, upon test made by the Company or the Public Service Commission of Delaware, that is when it over-registers or is fast, in excess of two percent (2%), the Company shall credit or refund to the Customer an amount equal to the excess paid for Delivery Service and for combined Electric Supply & Delivery Service for the kilowatt-hours incorrectly metered. The refund shall be for the period that the Customer received service through the meter, but for not more than the periods established below:

1. Known Date of Error - If the date on which the error first developed or occurred can be established, the bills for service shall be recalculated from that time.
2. Unknown Date of Error - If the time at which the error first developed or occurred cannot be established, it shall be assumed that the over-registration existed for a period of three (3) years or a period equal to one-half of the time since the meter was last tested, whichever is less.

## B. Slow or Stopped Meter

When a meter is found, upon test made by the Company or the Public Service Commission of Delaware, to have a negative average error, that is when it underregisters or is slow, in excess of two percent (2%), or to be stopped, or in case of a polyphase meter, to be operating with an inactive element, and the error in registration or failure to operate is not attributable to the negligence of the Company, but is due to some unpredictable cause, such as lightning, tampering or unauthorized overload, the Company shall estimate the proper Delivery Service and combined Electric Supply & Delivery Service charge for the unregistered service by reference to the Customer's consumption during similar normal periods or by such methods as the Public Service Commission of Delaware may authorize or direct. Except in cases of tampering, theft, inaccessibility to the meter, or unauthorized overload, such an estimate for a slow or stopped meter shall not cover a period of more than three (3) months.

## C. Demand Meter

Whenever a demand meter, the readings, or indications of which are utilized in computing the charges for Delivery Service and combined Electric Supply & Delivery Service, is found, upon test by the Company or the Public Service Commission of Delaware, to be in error, in excess of the limits indicated below, the Delivery Service and combined Electric Supply & Delivery Service charges to the Customer shall be adjusted in the same manner as prescribed under watt-hour meters above.

<u>METER TYPE</u>	<u>LIMITS OF ACCURACY</u>
Integrated Demand Meters	+ 2% of full scale reading
Lagged-Demand Meters	+ 4% of final indication

## RULES AND REGULATIONS

SECTION IX - ADJUSTMENT OF CHARGES - (Continued)

## D. Requests for Meter Tests

Upon request by a Customer, the Company shall test the Customer's meter provided that such tests need not be made more frequently than once in eighteen (18) months. If tests of meters at the Customer's request are performed more frequently than once in eighteen (18) months, the Company shall charge the Customer twenty dollars (\$20) for testing a self contained meter. For testing a transformer-rated meter, the charge shall be rendered on a time and material basis. No charge shall be made for testing meters which upon test are found to exceed the allowable accuracy limits as defined in this section. The Customer or its representative may be present when the Customer's meter is tested. A written report of the results of the test shall be mailed to the Customer within ten (10) days after the completion of the test.

## E. Adjustments for Incorrect Billings

Incorrect billings for Delivery Service and for combined Electric Supply & Delivery Service resulting from clerical error, incorrect meter installation or reading, incorrect application of the rate schedule, or other similar reasons shall be corrected immediately upon discovery, and corrected bills rendered to the Customer. However, in no case may additional charges due from the Customer under the application of this paragraph be collected for more than three (3) years prior to the month of discovery. If the Customer has been overcharged, the Company shall refund the amount due by credit to the Customer's account or the Customer may submit a request in writing for a refund by check, to the date the error was made, not to exceed three (3) years prior to discovery. In the absence of a written election by the Customer for a refund by check, the Company shall credit the Customer's account. In the event additional charges are due the Company, installment payments shall be offered for not less than the number of months the account was billed in error. An installment payment charge shall not be applied to such installment payments.

RULES AND REGULATIONS

SECTION X - CONTINUITY OF SERVICE BY COMPANY

A. Company Liability

The Company does not guarantee continuous uninterrupted electric service and shall not be liable for any loss, cost, damage or expense to any person occasioned by any change in, interruption or phase reversal of the Company's electric service due to any cause beyond the reasonable control of the Company.

B. Notice of Trouble

The Customer shall notify the Company promptly of any defect in service or of any trouble or irregularity in the electric delivery service.

C. Prearranged Interruption of Service

Whenever it is necessary to interrupt service for work on lines of equipment, such work shall be done, to the extent practical, at a time that will cause the least inconvenience to the Customer. The Customer(s) to be affected shall, if practical, be notified in advance of such interruptions.

## RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE

## A. Resale Forbidden

The Customer shall not directly or indirectly sell, sublet, assign or otherwise dispose of the electric energy provided by the Company under combined Electric Supply & Delivery Service or provided by an Electric Supplier, or any part thereof, except as authorized by Chapter 51, Title 25 of the Delaware Code.

## B. Multiple Occupancy Buildings

Multiple occupancy buildings for which building permits are issued after June 2, 1980 shall not be master metered, but shall be individually metered for each occupancy unit that is individually leased or owned and whose occupants have control over a portion of the electric energy used, unless the owners can provide evidence that the cost of installing separate meters exceeds the long-term benefits to the electric consumers derived from individual meters. For the purposes of this paragraph, individual meters include only meters installed and owned by the Company.

## C. Fluctuations

Electric delivery service must not be used by the Customer or its Electric Supplier, in such a manner as to cause unusual fluctuations or disturbances in the Company's delivery system. Should such fluctuation or disturbance be caused by the Customer, or its Electric Supplier, the Company may discontinue service or require the Customer to modify its installation and/or install approved controlling devices.

Where service is rendered under Service Classifications "SGS-ND", "MGS-S", "LGS-S", "GS-P", "GS-T", or "ORL" and the use of current is intermittent or subject to violent fluctuation, the Company reserves the right to base the measured demand upon a five (5) minute period, or to add to the measured demand, as determined under the measured demand provision of the applicable Service Classification, an amount equal to sixty-five percent (65%) of the rated capacity in kilowatts of apparatus having fluctuating or intermittent current requirements.

## D. Unbalanced Loads

Where service is rendered under Service Classifications "SGS-ND", "MGS-S", "LGS-S", "GS-P", "GS-T", or "ORL" the Customer shall at all times take and use energy in such manner that the load will be balanced equally between phases. Should this not be possible and the unbalancing exceed ten percent (10%) of the lesser phase, the Company reserves the right to compute the demand for billing purposes on the assumption that the load on each phase is equal to that on the greatest phase.

## RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE - (Continued)

## E. Transient Voltages

Customers are cautioned that certain types of data processing equipment are sensitive to transient voltages which typically occur in commercial power systems in routine operation. The Company shall not be liable for transient voltage-related damage or loss. The Company will provide available information to the Customer or prospective Customer on protective devices, upon request.

## F. Superposition of Electric Signals on the Company's Electric System

When the Customer couples to or superimposes any signal on its electric system for equipment control, load management control, carrier current transmission, signal systems, communication broadcasting or any other purpose, the Customer shall be responsible for preventing any such signals from being imposed upon or entering the Company's metering and electric system.

## G. Power Factor

The average power factor under the operating conditions of the Customer's load at the point where the electric delivery service is metered shall not be less than ninety percent (90%) lagging.

Where ,, welding, motors or other electrical equipment or devices having low power factor characteristics are installed, the Customer shall furnish, install and maintain, at its own expense, corrective apparatus which shall increase the average power factor of the individual units or the entire installation to not less than ninety percent (90%) lagging.

## H. Use other than Stated in Contract

The Company's service shall not be used for any purpose or in any place other than that stipulated in the Customer's contract for service except by written consent of the Company.

## I. Characteristics of Service

The delivery service specified and furnished by the Company, and electric service furnished by either the Company under the combined Electric Supply & Delivery Service or furnished by the Customer's Electric Supplier, shall consist of sixty (60) hertz, single phase or three phase alternating current at one standard primary or secondary voltage. The type of service (number of phases and voltages) available varies with location and load.

Voltage delivered to Customers' facilities normally will be maintained within the limits prescribed by the regulations of the Public Service Commission of Delaware, except under emergency conditions and/or conditions beyond the reasonable control of the Company.

## RULES AND REGULATIONS

SECTION XI - CUSTOMER'S USE OF SERVICE - (Continued)

## I. Characteristics of Service - (Continued)

A Customer or prospective Customer must contact the Company to ascertain the type of service the Company shall provide before making plans for receiving electric delivery service or making alterations to existing service.

- Secondary Service - Single phase or three phase circuits carrying a nominal voltage of 480 volts or less between any two conductors.
- Primary Service - Single phase or three phase circuits carrying a nominal voltage of 2,400 volts to 34,500 volts between any two conductors.
- Transmission Service - Single phase or three phase circuits carrying a nominal voltage in excess of 34,500 volts.

## J. Change of Installation

The Customer shall give immediate written notice to the Company of any proposed substantial increase or decrease in, or change of purpose or location of the Customer's installation. The service connection, transformers, meters and equipment supplied by the Company for each Customer have a definite capacity and no additions to the equipment or load connected thereto shall be permitted except by written consent of the Company. Failure to give notice of additions or changes in load or location shall render the Customer liable for any damage to the meters or their auxiliary apparatus or the transformers or wires of the Company caused by the additional or changed installation.

## K. Limitation of Use

No other source of electric supply, other than the Customer's Electric Supplier, shall be introduced or permitted, directly or indirectly, for the Customer's use without written notice to the Company and written consent of the Company which shall not be unreasonably withheld. An installation for which permission has been granted must be made so that the supply of current from the Customer's generator or other sources cannot feed into the Company's delivery system, unless agreed to by contract between the Company and the Customer. Unless otherwise agreed to by the Company and the Customer, the generation output to the Company shall be governed by the terms set forth under Section K.2. on tariff leaf No. 95 "No Sale" Transaction. In addition, such source of supply must comply with all of the Company's requirements for parallel operations as set forth in its document titled "Technical Considerations Covering Parallel Operations of Customer-owned Generation." Such source of supply must also comply with all requirements of the PJM Interconnection, LLC.

## RULES AND REGULATIONS

SECTION XII - DEFECTS IN CUSTOMER'S INSTALLATION

## A. Company's Right to Inspect

The Company shall have the right, but shall not be obliged, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with the Company's standard requirements; but such inspection, or failure to inspect, or to reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects in the installation, wiring or appliances, or from violation of Company rules, or from accidents which may occur upon the premises of the Customer.

## B. Defective Installations

If at any time the wiring, fixtures or appliances of the Customer are found to be defective or dangerous by the Company's representative or by the local public authorities, service may be refused or discontinued until the Customer has the condition corrected.

## C. Customer's Responsibility

The Company assumes no responsibility for any damages done by or resulting from any defect in the wiring, fixtures, or appliances of the Customer. In the event any loss or damage to the property of the Company, or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the Customer, its agents, or employees, the cost of the necessary repairs or replacement shall be paid by the Customer to the Company and any liability otherwise resulting shall be assumed by the Customer.

## D. Company Liability

The Company shall not be liable for damage resulting from the presence of electric current or the Company's appliances on the Customer's premises, or from the use of the service of the Company by the Customer.

RULES AND REGULATIONS

SECTION XIII - ACCESS TO PREMISES

A. Access to Premises

The authorized agents or representatives of the Company having the proper Company identification shall have access at all reasonable times to the premises of the Customer for the purpose of reading the Company's meters, connecting and disconnecting service, operating, testing, inspecting, repairing, removing and replacing any all of the Company's apparatus used in connection with the delivery of electricity. If the Company's meters or other equipment are located on the premises of someone other than the Customer, the Customer shall be responsible to arrange for access thereto by Company agents or representatives.

RULES AND REGULATIONS

SECTION XIV - TAMPERING WITH COMPANY'S PROPERTY

A. Tampering Expressly Forbidden

No person except a duly authorized representative of the Company shall make any connection or disconnection, either temporary or permanent between the service load of the Customer and the service wires of the Company or set, change, remove or interfere with or make any connections to the Company's meter or other property or any wiring between the Company's meter and the service wires of the Company.

B. Liability for Tampering

In the event of the Company's meters or other property being tampered or interfered with, the Customer being supplied through such equipment shall pay the amount which the Company may estimate is due for service used but not registered on the Company's meter, and for the costs of any repairs, replacements required, and any other changes in the Customer's installation as may be required by the Company.

## RULES AND REGULATIONS

SECTION XV - COMPANY'S RIGHT TO DISCONTINUE SERVICE

## A. Right to Discontinue Service

The Company reserves the right to discontinue the supply of service for any of the following reasons.

## 1. Without Prior Notice

- a. Unavoidable shortage or interruptions in Company's source of supply or other cases of emergency.
- b. Whenever a hazardous electrical or electrical related condition is found to exist on the Customer's premises.
- c. Interference or tampering with meters or Company equipment or diversion of service.
- d. Whenever environmental or other hazardous conditions would expose Company employees to undue risk in the maintenance of customer service.
- e. For providing a false name or social security number or for failing to disclose, upon request, that past services have been received and not paid for under a different name or social security number, if the Company has reported a theft of services to responsible authorities.

## 2. With Prior Notice

- a. Failure to remedy conditions having detrimental effect on the service of others.
- b. Non-payment of any bill for electric Delivery Service or combined Electric Supply & Delivery Service.
- c. Violation of or non-compliance with these Rules and Regulations or the effective Service Classification or Contract. The Company may refuse to provide any service until the Customer has corrected the conditions constituting such violation or non-compliance.
- d. Failure to pay a deposit as requested.
- e. Misrepresentation of or failure to disclose a material fact in an apparent attempt to defraud the Company or to avoid payment of any outstanding bill for service rendered.
- f. Repeated refusal to grant access, during reasonable working hours, for maintenance, meter reading or removal of equipment, inspection or replacement of equipment.
- g. Failure to pay Service Installation Costs.

## RULES AND REGULATIONS

SECTION XV - COMPANY'S RIGHT TO DISCONTINUE SERVICE - (Continued)

## A. Right to Discontinue Service - (Continued)

3. The notice provided for in the Section XV-A-2 shall consist of not less than five (5) days' notice sent by first class prepaid mail deposited in a United States mailbox and addressed to the Customer at the Customer's last known mailing address appearing on the records of the Company. The notice shall state the date on or after which service will be discontinued and shall inform the Customer of the steps which may be taken to avoid such disconnection of service. A notice of disconnection for non-payment of a bill for electric Delivery Service or combined Electric Supply & Delivery Service shall also state the date by which payment for the previous balance due must be received by the Company in order to avoid disconnection.

## B. Restoration Charge

Service disconnected by the Company for any reason set forth in Section XV-A or limited pursuant to Section XV-E shall be restored only on payment of the appropriate restoration charge stated below in addition to the previous balance due under the Customer's contract, except when it has been necessary to disconnect or remove overhead or underground service wires to effect discontinuance of service. In such cases, the actual costs of discontinuance and restoration shall be applicable in addition to the previous balance due.

Any Customer whose service has been disconnected or limited may be required to post a deposit in order to have service restored.

	<u>Time of Restoration</u>	<u>Restoration Charge</u>
8 a.m. to 5 p.m.	Monday - Friday Excluding Company Holidays	\$75.00
5 p.m. to Midnight	Monday - Friday Excluding Company Holidays	\$125.00
8 a.m. to Midnight	Saturday, Sunday and Company Holidays	\$125.00
Midnight to 8 a.m.	Any Day	\$175.00

## C. Collection of Payments at the Premises

At the Company's option, the Customer may avoid service termination or limitation for non-payment of bills by making payment of the previous balance due to a Company representative at the premises.

In addition to payment of the previous balance, there shall be a fee of thirty-eight dollars (\$38) per trip to the premises for collection of payments.

Installment payments or any other agreements shall be made through an authorized Company representative.

RULES AND REGULATIONS

SECTION XV - COMPANY'S RIGHT TO DISCONTINUE SERVICE - (Continued)

D. Load Limiting Devices

At the Company's option, in lieu of disconnection of Residential Customers for non-payment pursuant to above Sections XV-A-2(b) or (d), the Company may install a load limiting device that restricts the amount of power flow to the Customer, pursuant to an approved program on file with the Delaware Public Service Commission.

E. Combination Services

Where service restoration or collection of payments at the premises under above Sections XV-B and C are performed for both electric and gas service to the Customer, the related charges shall be assessed for only one of these two utility services.

RULES AND REGULATIONS

SECTION XVI - DISCONTINUANCE OF SERVICE BY CUSTOMER

A. Notice to Discontinue

The Customer must give the Company at least three (3) days' written notice to discontinue service unless otherwise agreed upon and shall be liable for service taken until the meter shall have been disconnected or read. Such notice prior to the expiration of a contract term shall not relieve the Customer from any minimum or guaranteed payment under any contract or Service Classification.

B. Completion of Term

If, by reason of any act, neglect or default of a Customer or its agent, the Company's service is suspended, or the Company is prevented from providing service in accordance with the terms of any contract it may have entered into, the minimum charge for the unexpired portion of the contract term shall become due and payable immediately as liquidated damages in lieu of the anticipated returns from the said contract.

C. Final Bill

The final bill for service shall be based on an actual meter reading, unless the Company cannot gain access to the premises, and is due and payable when rendered.

RULES AND REGULATIONS

SECTION XVII

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RULES AND REGULATIONS

SECTION XVII

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## RULES AND REGULATIONS

SECTION XVIII - GENERAL COST ADJUSTMENT

## A. Applicability

This General Cost Adjustment is applicable to all Service Classifications of this Tariff under the conditions enumerated below:

1. Bills rendered under all Service Classifications of this Tariff shall be increased to offset any new or increased taxes, licenses, franchise fees, rentals or assessments imposed by any governmental authority against the Company's property used in the supply, transmission, distribution or sale of electrical energy or its electrical operations or supply or sale of electrical energy or the receipts or earnings therefrom.
2. Such taxes, licenses, franchise fees, rentals or assessments as outlined above, shall, on the basis of Customer's consumption or billing, be apportioned pro rata among Customers within the limits of any political entity which imposes any such special taxes, licenses, franchise fees, rentals or assessments to offset such special levies and to relieve Customers outside of such political entity of the burden of payment for any such special levies.
3. Any such cost adjustment shall continue in effect only for the duration of the specified levies, and shall not be instituted prior to approval by the Public Service Commission of Delaware.
4. When Customers are required under the Rules and Regulations, Service Classifications and Riders of this Tariff to provide a contribution in aid of construction, the amount of the contribution shall include an allowance for any taxes to which said contribution may be subjected.

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## MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months <u>June Through September</u>	<u>WINTER</u> Billing Months <u>October Through May</u>
<b><u>RESIDENTIAL "R"</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$7.36	\$7.36
Distribution Charge		
First 500 kWh Rate	\$0.023009/kWh	\$0.023009/kWh
Excess kWh Rate	\$0.023009/kWh	\$0.023009/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
First 500 kWh Rate	\$0.106792/kWh	\$0.116190/kWh
Excess kWh Rate	\$0.106792/kWh	\$0.099263/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit / Deferred Cost Adjustment	Refer to Rider SOS PIC/DCA	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service and Standard Offer Service with Transmission Service charges may be separately stated. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months <u>June Through September</u>	<u>WINTER</u> Billing Months <u>October Through May</u>
<b><u>RESIDENTIAL – SPACE HEATING “R”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$7.36	\$7.36
Distribution Charge		
First 500 kWh Rate	\$0.018066/kWh	\$0.018066/kWh
Excess kWh Rate	\$0.018066/kWh	\$0.018066/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
First 500 kWh Rate	\$0.122372/kWh	\$0.134262/kWh
Excess kWh Rate	\$0.122372/kWh	\$0.066257/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit / Deferred Cost Adjustment	Refer to Rider SOS PIC/DCA	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u> <u>RESIDENTIAL TIME OF USE "R-TOU"</u>	SUMMER	WINTER
	Billing Months June Through September	Billing Months October Through May
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$11.32	\$11.32
Distribution Charge		
Demand Rate	\$3.916711/kW	\$3.916034/kW
On-Peak Rate	\$0.003181/kWh	\$0.003181/kWh
Off-Peak Rate	\$0.003181/kWh	\$0.003181/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy, and Ancillary		
Demand Rate	\$6.657173/kW	\$6.014873/kW
On-Peak Rate	\$0.067457kWh	\$0.077783/kWh
Off-Peak Rate	\$0.048498kWh	\$0.055791/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit / Deferred Cost Adjustment	Refer to Rider SOSPIC/DCA	

**RESIDENTIAL TIME OF USE NON-DEMAND "R-TOU-ND"**

<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$11.32	\$11.32
Distribution Charge		
On-Peak Rate	\$0.039524/kWh	\$0.039524/kWh
Off-Peak Rate	\$0.004327/kWh	\$0.004327/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service(Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
On-Peak Rate	\$0.187891/kWh	\$0.182905/kWh
Off-Peak Rate	\$0.059871/kWh	\$0.068983/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit / Deferred Cost Adjustment	Refer to Rider SOS PIC/DCA	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months <u>June Through September</u>	WINTER Billing Months <u>October Through May</u>
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**RESIDENTIAL TIME OF USE SUPER OFF-PEAK "R-TOU-SOP"****Delivery Service Charges:**

Customer Charge	\$11.32	\$11.32
Distribution Charge		
On-Peak Rate	\$0.020947/kWh	\$0.017812/kWh
Off-Peak Rate	\$0.020947/kWh	\$0.017812/kWh
Super Off-Peak Rate Eff 10/1/03	\$0.004888/kWh	\$0.004888/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh

**Supply Service Charges:**

Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
On-Peak Rate		
Off-Peak Rate		
Super Off-Peak Rate		
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
On-Peak Rate	\$0.189647/kWh	\$0.184946/kWh
Off-Peak Rate	\$0.061634/kWh	\$0.071029/kWh
Super Off-Peak Rate	\$0.040063/kWh	\$0.046007/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit / Deferred Cost Adjustment	Refer to Rider SOS PIC/DCA	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER	WINTER
	Billing Months June Through September	Billing Months October Through May
<b><u>SMALL GENERAL SERVICE – SECONDARY NON-DEMAND “SGS-ND”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$8.36	\$8.36
Distribution Charge	\$0.035037/kWh	\$0.035037/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary	\$0.106350/kWh	\$0.101315/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit /		
Deferred Cost Adjustment	Refer to Rider SOSPIC/DCA	

**SEPARATELY METERED SPACE HEATING SECONDARY SERVICE “SGS-ND” and “MGS-S”**

<b><u>Delivery Service Charges:</u></b>		
Minimum Charge	Closed to new Customers \$4.99	Closed to new Customers \$4.99
Distribution Charge	\$0.014702/kWh	\$0.014702/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service(Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary	\$0.125066/kWh	\$0.100481/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit /	Refer to Rider SOSPIC/DCA	
Deferred Cost Adjustment		

**SEPARATELY METERED WATER HEATING SECONDARY SERVICE “SGS-ND” and “MGS-S”**

<b><u>Delivery Service Charges:</u></b>		
Minimum Charge	Closed to new Customers \$4.99	Closed to new Customers \$4.99
Distribution Charge	\$0.014702/kWh	\$0.014702/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service(Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary	\$0.087025/kWh	\$0.100481/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit /	Refer to Rider SOSPIC/DCA	
Deferred Cost Adjustment		

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated. In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months June Through September	<u>WINTER</u> Billing Months October Through May
<b><u>MEDIUM GENERAL SERVICE – SECONDARY “MGS-S”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$25.42	\$25.42
Distribution Charge		
Demand Rate	\$3.654078/kW	\$3.654078/kW
Energy Rate	\$0.002632/kWh	\$0.002632/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Service Charge	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
Demand Rate	\$15.028459/kW	\$9.543857/kW
Energy Rate	\$0.050345/kWh	\$0.062505/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
<b><u>OFF-PEAK SERVICE – SECONDARY “MGS-S”</u></b>		
Same Charges and Rates as MGS-S		
Plus an Additional Charge	\$8.99	\$8.99
<b><u>OUTDOOR RECREATIONAL LIGHTING SERVICE - SECONDARY “ORL”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$8.36	\$8.36
Distribution Charge	\$0.023977/kWh	\$0.023977/kWh
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
<b><u>Supply Service Charges:</u></b>		
Transmission Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service(Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary	\$0.119578/kWh	\$0.138242/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service Phase In Credit /		
Deferred Cost Adjustment	Refer to Rider SOSPIC/DCA	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	<u>SUMMER</u> Billing Months <u>June Through September</u>	<u>WINTER</u> Billing Months <u>October Through May</u>
<b><u>LARGE GENERAL SERVICE – SECONDARY “LGS-S”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$159.62	\$159.62
Distribution Charge		
Demand Rate	\$2.407000/kW	\$2.407000/kW
On-Peak Rate	\$0.002120/kWh	\$0.002120/kWh
Off-Peak Rate	\$0.002120/kWh	\$0.002120/kWh
Power Factor Charge or Credit	\$0.030000/kW	\$0.030000/kW
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
RARM (eligible HPS Customers Only)		
Capacity PLC < 600 KW	\$150 per month plus \$0.045998 per kW of Capacity PLC	
Capacity PLC >= 600 KW	\$601.19 per month	
<b><u>Supply Service Charges:</u></b>		
Transmission Demand Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
Demand Rate	\$18.635390/kW	\$12.433537/kW
On-Peak Rate	\$0.056295/kWh	\$0.064793/kWh
Off-Peak Rate	\$0.035135/kWh	\$0.041063/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Or		
Hourly Priced Service:	Refer to Rider HPS	Refer to Rider HPS

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment. For Customers required to be served under HPS, refer to Rider HPS.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months <u>June Through September</u>	WINTER Billing Months <u>October Through May</u>
<b><u>GENERAL SERVICE - PRIMARY "GS-P"</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$235.42	\$235.42
Distribution Charge		
Demand Rate	\$2.624797/kW	\$2.624797/kW
Power Factor Charge or Credit	\$0.030000/kW	\$0.030000/kW
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
RARM (eligible HPS Customers Only)		
Capacity PLC < 600 kW	\$150 per month plus \$0.045988 per kW of Capacity PLC	
Capacity PLC >= 600 kW	\$601.19 per month	
<b><u>Supply Service Charges:</u></b>		
Transmission Demand Rate	Refer to Rider SOS	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):		
Supply Capacity, Energy and Ancillary		
Demand Rate	\$17.660193/kW	\$10.988547/kW
On-Peak Rate	\$0.075051/kWh	\$0.076963/kWh
Off-Peak Rate	\$0.060250/kWh	\$0.061770/kWh
Procurement Cost Adjustment	Refer to Rider SOS	Refer to Rider SOS
Or		
Hourly Priced Service:	Refer to Rider HPS	Refer to Rider HPS

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment. For Customers electing or required to be served under HPS, refer to Rider HPS.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax.

MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months <u>June Through September</u>	WINTER Billing Months <u>October Through May</u>
<b><u>GENERAL SERVICE – TRANSMISSION “GS-T”</u></b>		
<b><u>Delivery Service Charges:</u></b>		
Customer Charge	\$2,732.31	\$2,732.31
Distribution Demand Charge		
Demand Rate	\$0.102055/kW	\$0.102055/kW
Power Factor Charge or Credit	\$0.030000/kW	\$0.030000/kW
Environmental Fund Rate	\$0.000178/kWh	\$0.000178/kWh
Low-Income Fund Rate	\$0.000095/kWh	\$0.000095/kWh
RARM		
Capacity PLC < 600 kW	\$400 per month plus \$0.045988 per kW of Capacity PLC	
Capacity PLC >= 600 kW	\$851.19 per month	
<b><u>Supply Service Charges:</u></b>		
Hourly Priced Service	Refer to Rider HPS	Refer to Rider HPS

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Supply Service Charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax.

MONTHLY CHARGES AND RATES

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MONTHLY CHARGES AND RATES

<u>SERVICE CLASSIFICATION</u>	SUMMER Billing Months <u>June Through September</u>	WINTER Billing Months <u>October Through May</u>
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COGENERATION AND SMALL PRODUCTION "X"

Refer to the "X" tariff

Refer to the "X" tariff

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax.

MONTHLY CHARGES AND RATES

## SERVICE CLASSIFICATION

**OUTDOOR LIGHTING RATE - "OL" - SERVICE CLASSIFICATION**

The Outdoor Lighting (OL) Delivery Service Charges, stated below \*, have been applied to the listed "Monthly kWh Usage" for the particular light type and size to determine part of the monthly Delivery Service Charge, before application of any applicable taxes, as stated on the following leaf. All other rates below shall be applied to the total kWh Usage for the billing month.

<u>SERVICE CLASSIFICATION</u>	Billing Months January through December
<b><u>Outdoor Lighting</u></b>	
<b><u>Delivery Service Charges:</u></b>	
Distribution Charge	\$0.017075/kWh *
Environmental Fund Rate	\$0.000178/kWh *
Low-Income Fund Rate	\$0.000095/kWh *
<b><u>Supply Service Charges:</u></b>	
Transmission Rate	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):	
Supply, Capacity, Energy & Ancillary	\$0.067213/kWh
Procurement Cost Adjustment	Refer to Rider SOS
Standard Offer Service Phase In Credit /	Refer to Rider SOSPIC/DCA
Deferred Cost Adjustment	
<b><u>Traffic and Pedestrian Signals</u></b>	
<b><u>Delivery Service Charges:</u></b>	
Distribution Charge	\$0.017075/kWh *
Environmental Fund Rate	\$0.000178/kWh *
Low-Income Fund Rate	\$0.000095/kWh *
<b><u>Supply Service Charges:</u></b>	
Transmission Rate	Refer to Rider SOS
Standard Offer Service (Refer to Rider SOS):	
Supply, Capacity, Energy & Ancillary	\$0.067213/kWh
Procurement Cost Adjustment	Refer to Rider SOS
Standard Offer Service Phase In Credit /	Refer to Rider SOSPIC/DCA
Deferred Cost Adjustment	

Total Supply Service price is the sum of Standard Offer Service, Transmission and Procurement Cost Adjustment.

Note: The above Delivery Service charges apply when the Customer has an Electric Supplier, other than the Company, as its energy provider. The above Delivery and Standard Offer Service with Transmission Service charges apply when the Customer has the Company as its energy provider. For billing format purposes, the Delivery Service, Transmission Service and Standard Offer Service charges may be separately stated.

In addition to the charges and rates stated above, the Delaware State Public Utilities Tax of 4.25% shall apply to all applicable services, rendered hereunder, unless the Customer is exempt from such tax. For applicability of the SOS Phase-In Credit / Deferred Cost Adjustment, refer to Rider SOSPIC/DCA.

MONTHLY CHARGES AND RATES - (Continued)SERVICE CLASSIFICATIONOUTDOOR LIGHTING "OL" – DELIVERY SERVICE MONTHLY RATE

Service Category (As defined under OL Service)	<u>A</u> Existing Pole	<u>B</u> Metal Hi-Pole (Closed)	<u>C</u> Metal Lo-Pole (Closed)	<u>D</u> Cust. Owned Lamp & Energy	<u>E</u> Cust. Owned (Energy Only)	Est. Mo. Avg. kWh
<u>Incandescent</u> (Not available after January 1, 1972)						
1,000L (103W)	\$ 5.12	-	-	-	-	35
2,500L (202W)	\$ 6.08	-	-	-	-	69
<u>Mercury Vapor</u> (Open Bottom Luminaire with 2-1/2 ft. Bracket)						
8,600L (175W)	\$ 4.91					70
(Not Available After May 1, 2006)						
<u>Mercury Vapor</u> (Enclosed Luminaire with Bracket)						
4,200L (100W)	\$ 4.48	\$ 9.07	-	-	\$ 1.05	46
8,600L (175W)	\$ 5.73	\$ 10.33	\$ 9.82	\$ 4.07	\$ 1.60	70
12,100L (250W)	\$ 7.34	\$ 11.92	-	\$ 5.31	\$ 2.26	99
22,500L (400W)	\$ 9.26	\$ 13.85	-	\$ 6.73	\$ 3.55	155
63,000L (1000W)	\$ 14.96	-	-	-	-	374
(Not Available After June 1, 1993)						
<u>High Pressure Sodium</u> (Open Bottom Luminaire with 2-1/2 ft. Bracket)						
5,800L (70W)	\$ 4.75	-	-	-	-	36
9,500L (100W)	\$ 5.05	-	-	-	-	49
<u>High Pressure Sodium</u> (Enclosed Luminaire with Bracket)						
4,000L (50W)	\$ 4.99	-	-	-	\$ 0.46	21
5,800L (70W)	\$ 5.64	-	-	\$ 3.58	\$ 0.79	36
9,500L (100W)	\$ 5.95	-	-	\$ 4.01	\$ 1.12	49
16,000L (150W)	\$ 6.59	-	-	\$ 4.42	\$ 1.58	69
22,000L (200W)	-	-	-	-	\$ 1.99	87
25,000L (250W)	\$ 10.19	\$ 14.78	-	\$ 7.11	\$ 2.49	109
37,000L (310W)	-	-	-	-	\$ 2.96	130
50,000L (400W)	\$ 12.05	\$ 16.64	-	\$ 8.72	\$ 3.74	164
130,000L (1000W)	-	-	-	-	\$ 8.64	378
<u>Metal Halide</u> (Enclosed Luminaire with Bracket)						
34,000L (400W)	\$ 11.43	-	-	-	\$ 3.55	155
<u>Fluorescent Directional Signs</u>						
6 Ft. (60W) and 8 Ft. (80W)	-	-	-	-	\$ 1.73	76
(Not Available After May 1, 2006)						
<u>Traffic and Pedestrian Signals</u>						
0 - 40 Watt	-	-	-	-	\$ 0.13	6
41 - 80 Watt	-	-	-	-	\$ 0.40	18
81 - 120 Watt	-	-	-	-	\$ 0.66	30
121 - 160 Watt	-	-	-	-	\$ 0.84	38
161 - 200 Watt	-	-	-	-	\$ 0.97	44

Filed March 15, 2007

Effective with Usage  
On and After May 1, 2007

Filed in Compliance with Order Nos. 6902 &amp; 6904 in Docket No. 05-304

P.S.C. Del. No. 8 -Electric

MONTHLY CHARGES AND RATES - (Continued)SERVICE CLASSIFICATION**OUTDOOR LIGHTING "OL" – OPTIONAL EQUIPMENT MONTHLY RATE**

For service provided under the "Company Owned Equipment" Service Category, the Additional Monthly charge listed below shall be applicable, in addition to the above applicable OL Monthly Charges, for the respective non-standard optional equipment requested by and used to serve the Customer:

	<u>Additional Monthly Charge</u>
1. Ornamental, Decorative or Floodlighting Luminaires (This amount to be added to Service Category "A")	\$ 2.55
2. Poles	
A. Wood 25 ft. to 40 ft.	\$ 4.58
B. Fiberglass or Aluminum, less than 25 ft.	\$ 4.58
C. Fiberglass 25 ft. to 40 ft.	\$8.16
D. Aluminum, Non-Breakaway, 25 ft. to 40 ft.	\$12.25
E. Aluminum, Breakaway, 30 ft. to 45 ft.	\$15.75
F. Metal Pole 25 ft. to 40 ft. (Included in Service Category B) (Not available after January 1, 1984)	\$ 4.58
G. Stainless Steel Pole 25 ft. to 40 ft. (Not available after June 1, 1984) (This amount to be added to Service Category "A")	\$12.25
3. Turn of Century Luminaire, including pole. (This amount to be added to Service Category "A") (Enclosed Luminaire with Bracket)	
A. Style A	\$13.27
B. Style V	\$ 9.19

## SERVICE CLASSIFICATION "R"

RESIDENTIAL RATE

## A. Availability

This rate applies throughout the territory served by the Company in the State of Delaware and is available to a Customer desiring service for household and other related uses in a single private dwelling or dwelling unit, farmstead or estate and pertinent detached buildings.

## B. Contract Term

Residential contracts are on a month-to-month basis until terminated.

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 39.

## D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Minimum Charge

The Minimum Monthly Charge shall be the Customer Charge.

## SERVICE CLASSIFICATION "R"

RESIDENTIAL RATE - (Continued)

## F. Space Heating Service

If the Customer has permanently installed electric space-heating equipment, which:

1. Is the primary heating source for the space in which it is installed, and
2. Is adequate, under the Company's standard calculating procedures, to heat such space under normal design temperatures, and
3. Is installed in areas having a total heat loss of not less than five kilowatts (5kW), as calculated under the Company's standard calculating procedures, and
4. Consists of one of the following systems:
  - a. Electric resistance heating; or
  - b. Electric heat pumps.

Then the monthly charges and rates for Residential Space Heating as shown on Tariff Leaf No. 40 shall apply.

## G. Primary Discount

This provision is closed to new Customers and to changes in existing service for existing Customers.

Where service is supplied and metered at primary voltage and the Customer owns and maintains all transforming, switching, and protective equipment, the monthly bill as calculated in accordance with the standard rate table will be decreased by five percent (5%) before the application of any applicable supply charges under Standard Offer Service for the combined Electric Supply & Delivery Service and any tax imposed by governmental authority upon the Company sales.

## H. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "R-TOU"

OPTIONAL RESIDENTIAL TIME OF USE RATE

## A. Availability

This rate is available, subject to meter availability and installation, for household and other related uses in a single private dwelling or dwelling unit to the first 500 Customers requesting service under this schedule:

1. Whose present facilities will accommodate a multi-register socket-type meter and where sufficient space exists for the installation of the meter, or
2. Who will make the necessary modifications, at their own expense, to permit the installation of the multi-register socket-type meter.
3. Who agree in writing to remain on this schedule for a minimum of one (1) year.

## B. Contract Term

Written contracts will be required for all Customers receiving service under this Service Classification. The contract will be for an initial term of one (1) year with automatic month-to-month extensions until terminated.

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 41.

## D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Peak Hours

On-peak hours are 8:00 a.m. to 9:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## F. Measured Demand

The measured demand shall be the greatest demand established by the Customer during any sixty (60) minute clock hour of the month, during on-peak hours, taken to the nearest whole kilowatt.

## SERVICE CLASSIFICATION "R-TOU"

OPTIONAL RESIDENTIAL TIME OF USE RATE - (Continued)

## G. Billing Demands

The summer billing demand for each of the billing months of June through September shall be the maximum measured demand as created during on-peak hours in that month. The winter billing demand for each of the billing months of October through May shall be the greater of the maximum measured demand as created during each month during on peak hours or 75% of the greatest billing demand as created during the most recent summer billing months. For Customers first taking service during the October through May period, the billing demand shall be the maximum measured demand as created during each winter month. This provision will only apply during the Customer's initial October through May period.

## H. Minimum Charge

The minimum monthly charge shall be the Customer charge plus the demand charge.

## I. Primary Discount

This provision is closed to new Customers and to changes in existing service for existing Customers.

Where service is supplied and metered at primary voltage and the Customer owns and maintains all transforming, switching, and protective equipment, the monthly bill as calculated in accordance with the standard rate table will be decreased by five percent (5%) before the application of any applicable supply charges under Standard Offer Service for the combined Electric Supply & Delivery Service and any tax imposed by governmental authority upon the Company sales.

## J. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "R-TOU-ND"

OPTIONAL RESIDENTIAL TIME OF USE NON DEMAND METERED RATE

## A. Availability

This rate is available, subject to meter availability and installation, for household and other related uses in a single private dwelling or dwelling unit to the first 5,000 Customers requesting service under this schedule:

1. Whose present facilities will accommodate a multi-register socket-type meter and where sufficient space exists for the installation of the meter, or
2. Who will make the necessary modifications, at their own expense, to permit the installation of the multi-register socket-type meter.
3. Who agree in writing to remain on this schedule for a minimum of one (1) year.

## B. Contract Term

Written contracts will be required for all Customers receiving service under this Service Classification. The contract will be for an initial term of one (1) year with automatic month-to-month extensions until terminated.

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 41.

## D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Peak Hours

On-peak hours are 9:00 a.m. to 8:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 10:00 a.m. to 9:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

SERVICE CLASSIFICATION "R-TOU-ND"

OPTIONAL RESIDENTIAL TIME OF USE NON DEMAND METERED RATE - (Continued)

G. Primary Discount

Where service is supplied and metered at primary voltage and the Customer owns and maintains all transforming, switching, and protective equipment, the monthly bill as calculated in accordance with the standard rate table will be decreased by five percent (5%) before the application of any applicable supply charges under Standard Offer Service for the combined Electric Supply & Delivery Service and any tax imposed by governmental authority upon the Company sales.

H. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "R-TOU-SOP"  
OPTIONAL RESIDENTIAL TIME OF USE SUPER OFF-PEAK RATE

A. Availability

This rate is available, subject to meter availability and installation, for residential household and other related uses in a single private dwelling or dwelling unit to Customers requesting service under this schedule:

1. Whose present facilities will accommodate a multi-register socket-type meter and where sufficient space exists for the installation of the meter, or who will make the necessary modifications, at their expense, to permit the installation of the multi-register socket-type meter; and
2. Who agree to remain on this schedule for a minimum of one (1) year.

B. Contract Term

Contracts will be required for all Customers receiving service under this Service Classification. The contract will be for an initial term of one (1) year with automatic month-to-month extensions until terminated.

C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 42.

D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

E. Peak Hours

On-Peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. Super Off-Peak hours are 12:00 a.m. midnight to 6:00 a.m. everyday. All other hours are Off-Peak hours.

F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

G. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "SGS-ND"

SMALL GENERAL SERVICE-NON DEMAND RATE

## A. Availability

This rate is available to any Customer having a maximum monthly usage of less than 3,500 kWh and desiring service at secondary voltage as defined in Section XI-I of the Rules and Regulations. Any Customer taking service under this service classification whose kWh usage for any 2 consecutive billing months is equal to or exceeds 3,500 kWh shall be automatically transferred to Service Classification "MGS-S", effective with the next succeeding billing month. Any Customer so transferred shall remain on "MGS-S" for at least 12 billing months, even though the Customer's monthly usage in succeeding billing months may be less than 3,500 kWh. After such 12 billing months, at the Customer's option, the Customer may be transferred back to this Service Classification "SGS-ND" provided that the Customer has not used more than 3,500 kWh for any 2 consecutive billing months within the most recent 12 billing months.

## B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary.

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 43.

## D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with deliveries to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer. Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

## F. Water Heating

This provision is closed to new Customers and to changes in existing service for existing Customers.

## SERVICE CLASSIFICATION "SGS-ND"

SMALL GENERAL SERVICE - NON DEMAND RATE - (Continued)

## F. Water Heating - (Continued)

At the Customer's option, service for water heating will be rendered on a separate circuit and separately metered and billed at the monthly charges and rates as shown on Tariff Leaf No. 43. The total connected load of this circuit shall be limited to one hundred watts (100 W) per gallon of tank size or six thousand watts (6,000 W); whichever is larger. Water heating installations shall be subject to Company's approval and be open to Company inspection at all reasonable times.

## G. Space Heating

This provision is closed to new Customers and to changes in existing service for existing Customers.

When a Customer has permanently installed electric space heating equipment which:

1. Is the primary heating source for the space in which it is installed, and
2. Is adequate, under the Company's standard calculating procedures, to heat such space under normal design temperatures, and
3. Is installed in areas having a total heat loss of not less than five kilowatts (5 kW), as calculated under the Company's standard calculating procedures, and
4. Constitutes at least one-third (1/3) of the demand during the heating season,

Then, the Customer may elect to have such heating services rendered on a separate circuit and separately metered. A Customer may also include water heating equipment in such separate circuit; and, in addition, equipment for cooling the air exclusively in the same space heated through the separate circuit, subject to Company approval.

Service for the separate circuit shall be billed at the monthly charges and rates as shown on Tariff Leaf No. 43.

## H. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

## I. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "MGS-S"  
MEDIUM GENERAL SERVICE - SECONDARY RATE

A. Availability

This rate is available to any Customer having monthly usage of more than 3,500 kWh for 2 consecutive months and a summer maximum measured demand of less than 300 kW and desiring service at secondary voltage as defined in Section XI-I of the Rules and Regulations. Any Customer taking service under this service classification whose measured demand in any of the summer billing months of June through September is equal to or exceeds 300 kW shall be automatically transferred to Service Classification "LGS-S", effective with the next succeeding billing month.

B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary.

C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 44.

D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

E. Measured Demand

1. The measured demand shall be the greatest demand established by the Customer during any fifteen (15) minute period of the month as measured by demand meter, taken to the nearest whole kilowatt, but not less than one (1) kW in any month when kilowatt-hour usage is greater than zero, except as modified by paragraphs 2 or 3.
2. When a Customer has contracted for off-peak service, the measured demand shall be the greatest demand during a fifteen (15) minute interval of the month which occurs during on-peak hours, taken to the nearest whole kilowatt, but not less than one (1) kW in any month when kilowatt-hour usage is greater than zero.
3. For demands of less than twenty kilowatts (20 kW), the demand of a Customer may be determined, at the option of the Company, by measurement, by assessment after test, or by estimation. When a Customer's demand is estimated it shall be the kilowatts resulting from dividing the kilowatt-hours of energy used during the month by one hundred and seventy-five (175) hours, except that no demand will be estimated at more than twenty kilowatts (20 kW) nor less than one (1) kW. The Company, on request of a Customer whose demand is so estimated, will test measure the demand, and thereafter will either assess a demand of not less than one (1) kW based on the test measurements or install a demand meter where the Customer's use of energy exceeds one hundred seventy-five (175) hours use of its demand.

## SERVICE CLASSIFICATION "MGS-S"

MEDIUM GENERAL SERVICE - SECONDARY RATE - (Continued)

## F. Off-Peak Service

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

The availability of Off-Peak Service is subject to agreement in writing between the Company and the Customer. There shall be an additional charge per month for such service as shown on Tariff Leaf No. 44. The Company reserves the right to restrict the amount of off-peak power available to any individual Customer and to restrict the total amount of off-peak power available on its system.

## G. Billing Demand

The billing demand for each billing month shall be the maximum measured demand as created during that month. .

## H. Minimum Charge

The minimum monthly charge shall be the Customer charge.

## I. Water Heating

This provision is closed to new Customers and to changes in existing service for existing Customers.

At the Customer's option, service for water heating will be rendered on a separate circuit and separately metered and billed at the monthly charges and rates as shown on Tariff Leaf No. 43. The total connected load of this circuit shall be limited to one hundred watts (100 W) per gallon of tank size or six thousand watts (6,000 W); whichever is larger. Water heating installations shall be subject to Company's approval and be open to Company inspection at all reasonable times.

## J. Space Heating

Option A: When a Customer has permanently installed electric space heating equipment which:

1. Is the primary heating source for the space in which it is installed, and
2. Is adequate, under the Company's standard calculating procedures, to heat such space under normal design temperatures, and
3. Is installed in areas having a total heat loss of not less than five kilowatts (5 kW), as calculated under the Company's standard calculating procedures, and
4. Constitutes at least one-third (1/3) of the demand during the heating season, and
5. Consists of one of the following systems:
  - a. Electric resistance heating, or
  - b. Electric heat pumps.

## SERVICE CLASSIFICATION "MGS-S"

MEDIUM GENERAL SERVICE - SECONDARY RATE - (Continued)

## J. Space Heating (Continued)

Then, during the billing months of October through May, the billing demand, as initially calculated, will be reduced by seventy-five percent (75%) of its excess, if any, over the greatest billing demand of the preceding billing months of June through September. The Company will enter an estimated maximum summer demand into the record of a Customer who establishes service at such a time as not to have an actual record of the previous summer's demands..

Option B: This provision is closed to new Customers and to changes in existing service for existing Customers.

When a Customer has permanently installed electric space heating equipment, which meets the requirements of 1, 2, 3, and 4 under Option A, the Customer may elect to have such heating services rendered on a separate circuit and separately metered. A Customer may also include water heating equipment in such separate circuit; and, in addition, equipment for cooling the air exclusively in the same space heated through the separate circuit, subject to Company approval.

Service for the separate circuit shall be billed at the monthly charges and rates as shown on Tariff Leaf No. 43.

## K. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

## L. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE - SECONDARY RATE

## A. Availability

This rate is available to any Customer having a summer maximum measured demand of 300 kW or greater and desiring service at secondary voltage as defined in Section XI-I of the Rules and Regulations. Any Customer served under this service classification after June 1, 1980 shall remain on this classification for at least 12 billing months, even though such Customer's maximum measured demand in succeeding summer months may be less than 300 kW. After such 12 billing months, at the Customer's option, the Customer may be transferred to Service Classification "MGS-S" provided that the Customer has not had a summer maximum measured demand of 300 kW or greater within the most recent 12 billing months.

## B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary or for demands greater than one thousand kilowatts (1,000 kW).

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 45.

## D. Standard Offer Service and Hourly Priced Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service or Hourly Priced Service, as applicable, until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Measured Demand

The measured demand shall be the greater of the maximum demand established by the Customer during any sixty (60) minute period of the month during on-peak hours as measured by demand meter, taken to the nearest whole kilowatt or one-third (1/3) of the maximum demand established during any sixty (60) minute period of the month during the off-peak hours, taken to the nearest whole kilowatt.

## SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE - SECONDARY RATE - (Continued)

## F. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification. For Customers having a maximum demand of 300kW or greater, a meter recording device will normally be provided by the Company. Such a meter recording device does not normally include an electronic communication link to remotely access the metered data. At the Company's sole discretion, an electronic communication link may be used to remotely access the metered data.

## G. Peak Hours

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## H. Power Factor

When the measured demand is 300 kW or more for the current month or any of the previous eleven (11) months, the average power factor of the Customer's installation, expressed to the nearest whole percent, shall be determined by metering installed by the Company ratcheted to prevent reverse registration. Ninety percent (90%) lagging shall be considered to be the base power factor.

If the average power factor is determined to be below ninety percent (90%) for any given month, an additional charge of \$0.03 per kilowatt of measured demand for every whole percent less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred percent (100%) for any month, a credit of \$0.03 per kilowatt of measured demand for every whole percent above ninety percent (90%) will be added to the monthly bill.

## I. Billing Demand

The billing demand for each of the summer billing months of June through September shall be the measured demand as defined in Section E above. The billing demand for each of the ensuing winter billing months of October through May shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the average of the billing demands for the most recent summer billing months of June through September.

For Customers first taking service during the October to May winter period, the billing demand for each month shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the estimated average monthly billing demand for the June through September summer billing months. This provision shall only apply during the Customer's initial October to May winter period.

## J. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

SERVICE CLASSIFICATION "LGS-S"

LARGE GENERAL SERVICE - SECONDARY RATE - (Continued)

K. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

L. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "GS-P"  
GENERAL SERVICE - PRIMARY RATE

A. Availability

This rate is available to any Customer desiring service at primary voltage as defined in Section XI-I of the Rules and Regulations, and who owns and maintains the required transforming, switching and protection equipment. This rate is not available to any Customer to provide standby capacity for Customer-owned baseload generation. This rate is not available to Residential Customers. This rate shall also be applied with respect to any Customer served at transmission voltage as defined in Section XI-I of the Rules and Regulations if the Customer's peak load contribution, as determined each year by the PJM Interconnection, LLC, or a successor entity, is below 400 kW.

B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary or for demands greater than one thousand kilowatts (1,000 kW).

C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 46.

D. Standard Offer Service and Hourly Priced Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service or Hourly Priced Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service or Hourly Priced Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must remain with the Company's Standard Offer Service or Hourly Priced Service, as applicable, until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

E. Measured Demand

The measured demand shall be the greater of the maximum demand established by the Customer during any sixty (60) minute period of the month during on-peak hours as measured by demand meter, taken to the nearest whole kilowatt or one-third (1/3) of the maximum demand established during any sixty (60) minute period of the month during the off-peak hours, taken to the nearest whole kilowatt.

## SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE - PRIMARY RATE - (Continued)

## F. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification. For Customers having a maximum demand of 300kW or greater, a meter recording device will normally be provided by the Company. Such a meter recording device does not normally include an electronic communication link to remotely access the metered data. At the Company's sole discretion, an electronic communication link may be used to remotely access the metered data.

## G. Peak Hours

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## H. Power Factor

When the measured demand is 300 kW or more for the current month or any of the previous eleven (11) months, the average power factor of the Customer's installation, expressed in the nearest whole percent, shall be determined by metering installed by the Company ratcheted to prevent reverse registration. Ninety percent (90%) lagging shall be considered to be the base power factor.

If the average power factor is determined to be below ninety percent (90%) for any given month, an additional charge of \$0.03 per kilowatt of measured demand for every whole percent less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred percent (100%) for any month, a credit of \$0.03 per kilowatt of measured demand for every whole percent above ninety percent (90%) will be added to the monthly bill.

## I. Billing Demand

The billing demand for each of the summer billing months of June through September shall be the measured demand as defined in Section E above. The billing demand for each of the ensuing winter billing months of October through May shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the average of the billing demands for the most recent summer billing months of June through September.

For Customers first taking service during the October to May winter period, the billing demand for each month shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the estimated average monthly billing demand for the June through September summer billing months. This provision shall only apply during the Customer's initial October to May winter period.

## J. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE - PRIMARY RATE - (Continued)

K. Alternate Customer Charge

In lieu of Monthly Customer Charge specified in Paragraph C, a \$92.89 Monthly Customer Charge shall apply in the situation identified in Order Nos. 3409, PSC Docket No. 91-20. This provision is closed to new Customers and to changes in existing service to existing Customers.

L. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

M. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "GS-T"

GENERAL SERVICE - TRANSMISSION RATE

## A. Availability

This rate is available to any Customer desiring service at transmission voltage as defined in Section XI-I of the Rules and Regulations, and who owns and maintains the required transforming, switching and protection equipment. This rate is not available to any Customer to provide standby capacity for Customer-owned baseload generation. This GS-T rate shall not apply and the GS-P rate shall apply, however, to a Customer otherwise qualifying for service under this GS-T service classification if the Customer's maximum demand as measured by a demand meter during any 60 minute period of the month is below 400 kW.

## B. Contract Term

Contracts are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary or for demands greater than one thousand kilowatts (1,000 kW).

## C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 47.

## D. Hourly Priced Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Hourly Priced Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Hourly Priced Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company, and then returns to the Company for its electric supply services, the Customer shall be served under the Company's Hourly Priced Service and must remain with the Company's Hourly Priced Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## E. Measured Demand

The measured demand shall be the greater of the maximum demand established by the Customer during any sixty (60) minute period of the month during on-peak hours as measured by demand meter, taken to the nearest whole kilowatt or one-third (1/3) of the maximum demand established during any sixty (60) minute period of the month during the off-peak hours, taken to the nearest whole kilowatt.

## SERVICE CLASSIFICATION "GS-T"

GENERAL SERVICE - TRANSMISSION RATE - (Continued)

## F. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification. For Customers having a maximum demand of 300kW or greater, a meter recording device will normally be provided by the Company. Such a meter recording device does not normally include an electronic communication link to remotely access the metered data. At the Company's sole discretion, an electronic communication link may be used to remotely access the metered data.

## G. Peak Hours

On-peak hours are 6:00 a.m. to 10:00 p.m. during periods of the year when Eastern Standard Time is in effect, and 9:00 a.m. to 10:00 p.m. when Eastern Daylight Savings Time is in effect, Monday through Friday, including holidays falling on weekdays. All other hours are off-peak hours.

## H. Power Factor

When the measured demand is 300 kW or more for the current month or any of the previous eleven (11) months, the average power factor of the Customer's installation, expressed to the nearest whole percent, shall be determined by metering installed by the Company ratcheted to prevent reverse registration. Ninety percent (90%) lagging shall be considered to be the base power factor.

If the average power factor is determined to be below ninety percent (90%) for any given month, an additional charge of \$0.03 per kilowatt of measured demand for every whole percent less than ninety percent (90%) will be added to the monthly bill. If the average power factor is determined to be between ninety percent (90%) and one hundred percent (100%) for any month, a credit of \$0.03 per kilowatt of measured demand for every whole percent above ninety percent (90%) will be added to the monthly bill.

## I. Billing Demand

The billing demand for each of the summer billing months of June through September shall be the measured demand as defined in Section E above. The billing demand for each of the ensuing winter billing months of October through May shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the average of the billing demands for the most recent summer billing months of June through September.

For a Customer first taking service during the October to May winter period, the billing demand for each month shall be 25% of the measured demand for that month as defined in Section E above, plus 75% of the estimated average monthly billing demand for the June through September summer billing months. This provision shall only apply during the Customer's initial October to May winter period.

## J. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

SERVICE CLASSIFICATION "GS-T"

GENERAL SERVICE - TRANSMISSION RATE - (Continued)

K. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

L. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

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SERVICE CLASSIFICATION "OL"  
OUTDOOR LIGHTING RATE

A. Availability

This rate applies throughout the territory served by the Company in the State of Delaware and is available to any applicant or existing Customer taking Delivery Service or the combined Electric Supply & Delivery Service from the Company for lighting of the customer's private property or for lighting public streets, highways and approved public and private areas.

B. Character of Service

Lighting service is available for any approved lighting source. Lumen values, wattage ratings and monthly kWh energy usage of light sources shall be based on the nominal lamp rating as listed by the manufacturers.

C. Terms of Service

1. Lighting service shall be for an initial term of three (3) years and thereafter from year to year until terminated by at least 30 days written notice by either party. The Company may require payment for removals of new installations in service for less than three (3) years.
2. Lamps used for outdoor lighting shall be lighted from dusk to dawn each night, approximately 4,100 hours per year.
3. Where the lighting unit is attached to a Company approved structure and is located along a public right-of-way, the lighting unit may extend over the public right-of-way or over the Customer's private property. The decision as to the location of a lighting unit on all Company approved structures shall be made by the Company in cooperation with the appropriate public authorities and/or property owners.
4. The Company shall supply energy for the combined Electric Supply & Delivery Service, relamp when necessary and maintain the lighting equipment which it owns. All other maintenance shall be at the Customer's expense unless service is provided under the provisions of this service classification under the service category identified as "Customer-Owned Equipment with Company Maintenance." Customers requiring service under unusual conditions, or whose service requirements are different from those provided for herein, may obtain such service under mutually acceptable contractual arrangements.
5. The Company will perform lamp renewals and/or maintenance during normal working hours within a reasonable period following notification by the Customer.
6. All installations must be accessible to Company trucks and personnel for installation, relamping and repairs.
7. The Company reserves the right to discontinue service, add a monthly rate surcharge or charge the customer time and material where the cost of providing service is excessive because of vandalism or other reasons.
8. The Company may require payment for the cost of changes in pole and/or luminaire locations requested by the Customer, other than those incidental to street or highway improvements. Also, if a Customer requests the Company to install luminaires at a greater mounting height than that which is achievable on existing poles or relocated poles, the Customer shall be required to pay the Company a Contribution-in-Aid-of-Construction to cover the costs of changing the pole to a taller pole and/or arranging the equipment to accommodate the greater mounting height.

SERVICE CLASSIFICATION "OL"  
OUTDOOR LIGHTING RATE - (Continued)

C. Terms of Service - (Continued)

9. The Customer may be required to make a payment toward the costs of installation and removal for changes in lamp size or type under the following conditions:

- a. The permanent replacement of a light when the lumen output of the lamp remains the same or decreases, and the age of the luminaire is 10 years or less.
- b. Conversion from one light source to another when the lumen output of the lamp remains the same or decreases, and the age of the luminaire is 10 years or less.

Such payment shall be based on the undepreciated installed cost plus the removal cost less salvage.

10. The Customer shall be required to make a payment based on the actual cost of requested work for the temporary replacement and/or relocation of an existing light to a new location and the subsequent movement of the light back to its old location.
11. A request by the Customer to install a new light at the same location within 12 months of the removal of an existing light shall be considered a replacement of the existing light.
12. The extension of the Company's primary voltage distribution facilities solely for the electric delivery of outdoor lighting shall be paid for by the Customer as a Contribution-in-Aid-of-Construction.
13. A Contribution-in-Aid-of-Construction may be required for any Company provided lighting. The final design will determine when a Contribution-in-Aid-of-Construction will be required. The Company reserves the right to approve the final design.
14. The Company reserves the right to limit the number of lamp conversions for any Customer in any calendar year to no more than 5% of that Customer's total lamps served by the Company at the end of the previous calendar year.
15. The customer shall be responsible for the installation of all concrete foundations and conduits per Company specifications.

D. Monthly Rate Table

The Company shall provide outdoor lighting units and auxiliary equipment as listed in the rate tables under the following service categories. The rate tables show monthly rates for Delivery Service.

SERVICE CATEGORY

- |      |                         |   |
|------|-------------------------|---|
| A:   | Company Owned Equipment | The Company will install, own and maintain and supply electric energy for the combined Electric Supply & Delivery Service to the lighting system, including a standard luminaire installed on an existing Company structure or approved private structure provided by a secondary aerial circuit. The Company will also provide up to one span of aerial circuit per luminaire from an existing secondary facility in accordance with good engineering practices. |
| B&C: | Company Owned           | Same as Category A with high level metal pole for B and low level metal pole for Equipment C. Not available after June 1, 1984.   |

## SERVICE CLASSIFICATION "OL"

OUTDOOR LIGHTING RATE - (Continued)

## D. Monthly Rate Table (Continued)

## D: Customer Owned Equipment with Company Maintenance

Where the Public Lighting Customer installs, owns and maintains the lighting system, the Company will supply metered electric energy for the combined Electric Supply & Delivery Service, the Company may, under separate contract, provide maintenance services for the customer's private lighting system for such items as lamp renewals, glassware and photo-control device replacements, providing the lamp, glassware and photo-cell is of a type normally used by the Company and the installation meets Company specifications.

This service category is not available for private lighting Customers after July 1, 1991.

## E: Energy Only:

Where the Public Lighting Customer installs, owns and maintains the lighting system, the Company will supply electric energy for the combined Electric Supply & Delivery Service and one span of aerial service in an aerial distribution area. For underground wiring, the Public Lighting Customer shall extend the lighting circuit to the nearest Company-owned and approved distribution facilities. This service category is not available for Private Lighting Customers.

This service category is not available for private lighting Customers after May 1, 2006

Monthly charges and rates under this Service Classification are shown on Tariff Leaf Nos. 50 through 52.

## E. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company, and then returns to the Company for its electric supply services, the Customer shall be served under the Company's Standard Offer Service and must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

## F. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable Standard Offer Service, rendered hereunder, unless the Customer is exempt from such tax.

## G. Rules and Regulations

The general Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

SERVICE CLASSIFICATION "ORL"  
OUTDOOR RECREATIONAL LIGHTING RATE

A. Availability

This rate applies throughout the territory served by the Company in the State of Delaware and is available to non-profit organizations and local governmental entities where at least 90% of the total connected load is used for outdoor recreational lighting. Product offerings under this rate shall be limited to those lighting products currently specified by Company standards.

B. Contract Term and Billing

Standard contracts are for an initial period of one (1) year with automatic month to month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary. Bills will be rendered monthly. The Company will install and maintain the lighting system. The installed cost of the fixtures, poles and other installed equipment shall be paid by the customer upon execution of the contract. All equipment shall be the property of the Company. The customer shall be responsible for all on going maintenance and replacement costs of the poles, fixtures and other installed equipment. The Company shall be responsible for all on going maintenance costs of photo cell and bulb replacement.

C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 44.

D. Standard Offer Service

For a new or successive Customer, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for at least the first billing month for the account, during and after which the Customer shall have the right to provide the proper notice necessary to elect to purchase its electric supply from an Electric Supplier with delivers to begin on the Customer's next scheduled meter reading date. For a Customer who has the right to select an Electric Supplier and has not exercised that right, the Company shall be the electric supplier and shall provide its combined Electric Supply & Delivery Service including Standard Offer Service for the Customer.

Once a Customer has purchased its electric supply services from an Electric Supplier other than the Company, and then returns to the Company for its electric supply services, the Customer shall be served under the Company's Standard Offer Service and must remain with the Company's Standard Offer Service until its next scheduled meter reading date before the Customer may be served by an Electric Supplier.

E. Primary Discount

Where service is supplied and metered at primary voltage and the Customer (organization) owns and maintains all transforming, switching, and protective equipment, the monthly bill as calculated in accordance with the standard rate table will be decreased by five percent (5%) before the application of any applicable supply charges under Standard Offer Service for the combined Electric Supply & Delivery Service and any tax imposed by governmental authority upon the Company sales.

SERVICE CLASSIFICATION "ORL"  
OUTDOOR RECREATIONAL LIGHTING RATE Cont'

F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

G. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable Standard Offer Service, rendered hereunder, unless the Customer is exempt from such tax.

H. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION

## A. Availability

This rate schedule is available throughout the territory served by the Company in the State of Delaware and is applicable to purchases of electricity by the Company from cogenerators or small power producers which meet Federal qualifying standards and have a generating capacity of 1,000 kW or less. The rates stated herein are subject to change biennially.

## B. Delivery Voltage

The delivery voltage shall be the same as if the Qualifying Facility (QF) were purchasing similar quantities of electricity at the same delivery point, considering the load and operating conditions of said facility.

## C. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than one (1) year may be required if special investment by the Company is necessary or Capacity Payments are made.

## D. Market Access

The Company's electric system is operated as part of the integrated electric system of the PJM Control Area, under the direction of the control area operator, regional transmission provider, and regional market administrator, PJM. Interconnection with the Company's electric system provides access to wholesale markets as follows:

1. Choice of Markets – Pursuant to 18 CFR §292.303(d) of the regulations, any net excess of the QF's energy and capacity will be transmitted as directed by the customer either (1) to the energy, capacity and ancillary services markets administered by PJM, for sale at such prices as may be available in those markets from time to time, or (2) to any bilateral purchaser (including the Company) or other market selected by the customer, for sale as negotiated between the customer and the purchaser.

2. Point of Delivery – Delivery to the PJM marketplace shall occur at the Interconnection Point under this schedule, provided, for market administration purposes, if the Interconnection Point is not located on a "generation bus" for which a locational marginal price is calculated by PJM, the nominal point of delivery to the PJM marketplace will be the PJM-recognized "generation bus" electrically most directly connected to the Interconnection Point. Delivery to a bilateral purchaser shall occur as arranged with PJM and other transmission providers; such arrangements are the responsibility of the customer.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

## D. Market Access – (Continued)

3. Delivery Arrangements - Power generated and delivered by the QF will be metered for sale in the wholesale marketplace. The Company shall install, own, and maintain all metering equipment needed to measure the kilowatt-hours delivered to the Company. There is no Distribution Service charge for the Company's delivery of the QF's electrical output to the integrated system of the PJM Control Area. Power delivered by the Company to the Customer will be metered by the Company under the applicable retail rate schedule (for Standard Offer Service or for Delivery Service only, as defined in the Company's Rules and Regulations).

## E. Monthly Rate Table

Monthly Customer Charge: \$ 6.25 (To be paid by Customer)

Energy and Capacity Payments

Upon request, a QF interconnected with the Company under this schedule may sell its output to the Company for resale in the PJM markets in the following manner:

## 1. Energy Payments

The Company will sell the QF's energy in the PJM as-available hourly (real-time) energy market. The Company will pay the QF the hourly energy price received from PJM, less any associated PJM ancillary charges.

## 2. Capacity Payments

If the QF has been certified by PJM as a PJM Capacity Resource, the Company will offer the QF's capacity in the PJM multi-month capacity market, and in the short-term PJM capacity markets if any remains unsold in the seasonal market. The Company will pay the QF the capacity price received from PJM, less any associated PJM charges and less the out-of-pocket cost to the Company of compliance with PJM unit commitment and dispatch requirements with respect to the QF's capacity.

The Company offers the following alternative approaches to metering and payment for electricity for Qualified Facilities of 100 kW or less such that:

a) if the Qualifying Facility is a PJM Capacity Resource or seeks to be paid for electricity as delivered based on hourly LMP, an interval meter is to be installed and hourly LMP prices will be used; but

b) if the Qualifying Facility elects to sell electricity to the Company at an average monthly LMP rate regardless of when delivered and without a capacity payment, then the meter installation shall be a non-time differentiated device. Any such election shall be made no more frequently than annually.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

## F. Interconnection with the Company's System

Interconnection with the Company's system requires the installation of protective equipment which, in the Company's judgment, provides safety for personnel; affords adequate protection against damage to the Company's system or to its customer's property; and prevents any interference with the Company's delivery and supply of service to others. The Company shall not be liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential which originates from a cogenerator's or small power producer's generation facilities, except as the Company would be liable in the normal course of business. Such protective equipment shall be installed, owned and maintained by the cogenerator or small power producer at its expense. In addition, it may be necessary for the Company to extend or modify portions of its systems to accommodate the purchase of electricity from a cogenerator or small power producer. Should such extension or modification be necessary, all work shall be performed by the Company at the cogenerator's or small power producer's expense. For new services, such expense shall be determined by the difference between total costs and the investment the Company would make to install a normal service without Customer-owned generation.

At the Company's request, the cogenerator or small power producer shall furnish, install and maintain, at its own expense, corrective apparatus which results in an average power factor of not less than ninety percent (90%) lagging.

The Company's technical requirements for parallel operations shall be followed and are as stated in its document titled "Technical Considerations Covering Parallel Operations of Customer-owned Generation."

## G. Metering

The Company shall install, own and maintain an hourly interval meter and any other metering equipment needed to measure the kilowatt-hours delivered to the Company. At the Customer's option, the cogenerator or small power producer shall pay the installed cost of metering but the Company retains ownership of the meter. A monthly meter charge shall be assessed for the applicable meter listed below and shall remain constant over the term of the Customer's contract (for meters not listed below, a separate rate will be developed as necessary and as provided in Paragraph A, Section VIII of Delmarva's Electric Tariff):

<u>Monthly Metering Rates (To be paid by Customer)</u>	<u>Meter Equipment Rate</u>	<u>O&amp;M Rate</u>
Self-contained single phase-200 ampere	\$ 5.29	\$ 2.44
Self-contained three phase-200 ampere	\$ 6.90	\$ 2.44
Transformer rated three phase	\$14.05	\$ 2.44

Customers who elect to pay the installed cost of metering shall pay the Monthly O&M Rate. Where the Company provides and installs the metering equipment, the Customer shall pay the Monthly Meter Equipment Rate plus the Monthly O&M Rate.

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

## H. Cessation of Parallel Operation

Parallel operation must cease immediately and automatically during system outages and other emergency or abnormal conditions specified by the Company. The cogenerator or small power producer must cease parallel operation upon notification by the Company if such operation is determined to be unsafe, interferes with the delivery and supply of service to others, or interferes with system maintenance or operation. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the cogenerator or small power producer to operate in compliance with Company requirements.

## I. Payment Terms

The Company shall read the meter at approximately 30-day intervals. Payment to the cogenerator or small power producer shall be first applied to outstanding bills and then accumulated up to a balance of twenty-five dollars (\$25.00) or more, which shall then be refunded.

## J. Failure to Comply

Failure of the cogenerator or small power producer to comply with any of the requirements set forth in Sections F and H above shall result in disconnection from the Company's system. After a second disconnection due to failure to comply, the Company may at its option disconnect the cogenerator or small power producer for a period of 30 days. During that period of time, the Company may petition the Commission to disqualify the owner of the facility from selling power to the Company. The Company may so petition at any time without disconnecting the qualifying facility but with good cause.

## K. Alternative Transactions

This Service Classification is premised upon the qualifying facility selling its entire generation output to the Company under the rates set forth herein and then purchasing its entire electric requirements from the Company under the regular rate schedule as applicable (a "simultaneous buy/sell") transaction. Two alternative transactions are available at the Customer's option as follows:

## SERVICE CLASSIFICATION "X"

COGENERATION AND SMALL POWER PRODUCTION - (Continued)

## K. Alternative Transactions – (Continued)

## 1. "Net Excess" Transaction

Under this option, the Customer generates to supply its own electrical load and sells to the Company market the generated energy in excess of its load and purchases only its requirements in excess of its generation. Two meters would be installed, one to meter the net hourly electrical flow from the Company to the Customer, and the other an interval meter to meter the hourly electrical flow from the Customer to the Company, both ratcheted to prevent reverse registration. The two meters would measure "net" electrical flow. The net flow from the Company would be billed at the Company's regular rate schedule as applicable, while the net flow to the Company would be paid to the Customer based on the rates, charges, terms and conditions. The appropriate monthly meter charge, as stated in Section G above, would apply for the interval meter measuring the net electrical flow from the Customer to the Company.

## 2. "No Sale" Transaction

Under this option, the Customer generates energy to supply all or a portion of its load and purchases any additional requirements from the Company. One meter would be installed, ratcheted to prevent reverse registration, with the type of meter installed as determined by the applicable regular rate schedule. The meter would measure the net electrical flow to the Customer, without offset for periods when the Customer's generation exceeded the Customer's electrical requirements, with billing at the Company's regular rate schedule as applicable. The monthly Customer and meter charges, as set forth in Sections E and G above, would not apply under this option.

## L. Filing Requirements

As approved in Order Nos. 4190, issued April 30, 1996, the Company shall file revised rates for this Service Classification every other year beginning with 1998. The currently effective rates were approved in Order Nos. 5206 and shall remain in effect until new rates are approved. This modification does not preclude any Rate "X" customer from filing a complaint to assert that the currently effective rates do not accurately reflect avoided costs.

## M. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services rendered hereunder, unless the Customer is exempt from such tax.

## N. Rules and Regulations

Except as herein modified, the Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

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RIDER "EP"

ELECTRICITY PURCHASED BY THE COMPANY  
FROM COGENERATORS AND SMALL POWER PRODUCERS

Cogeneration and small power production facilities which meet Federal qualifying standards may elect to sell energy to the Company. The Company shall purchase such energy under Service Classification "X", Cogeneration and Small Power Production, from qualifying facilities with generating capacity of 1,000 kW or less. Purchases from qualifying facilities with generating capacity of greater than 1,000 kW shall be made under special contracts. The rates paid by the Company under such special contracts shall be related to the PJM market value of these sales.

The terms and conditions of purchase shall vary with the circumstances of each specific installation.

## RIDER "EFT"

ENERGY FOR TOMORROW RIDER

## A. Availability

This Rider is available to any eligible Residential Customer, regardless of the Customer's electric supplier, who agrees to be a part of the Company's "Challenge 2000" program to help manage future electricity costs. By participating in this plan, the Customer and the Customer's Electric Supplier, agrees to allow the Company to cycle off and on the Customer's electric central air conditioner/heat pump or water heater or both during the times in which the demand for electricity on the Company's system is anticipated to be high, or as required to mitigate a system emergency, or for economic purposes.

When the residence served is not owned by the Customer, participation in this program is conditioned upon agreement of both the owner of the residence, or owner's agent, and the Customer.

Availability is subject to the economic and technical feasibility of the installation of required Company equipment. All of Customer's like appliances must be connected to Company's cycling equipment to qualify for this Rider.

## B. Customer Options Available &amp; Eligibility Criteria

A participating Customer may select any one of the following three options:

Option 1 - Air Conditioner Cycling

This option is available to any Customer who has an electric central air conditioner or heat pump with an air conditioning cycle.

Option 2 - Water Heater Cycling

This option is available to any Customer who has an electric water heater of at least 40 gallons of capacity. (This option is closed to new participants after March 23, 1989.)

Option 3 - Both Air Conditioner and Water Heater Cycling

This option is available to any Customer who qualifies for both Options 1 and 2.

## C. Cycling Periods

Air Conditioners

Under this option, the Company may cycle off and on the Customer's central air conditioner normally on weekdays and normally during the summer season of June 1 through September 30.

The air conditioner may be "cycled off" for up to 15 minutes out of every 30 minute period normally between the on-peak hours of 9 a.m. and 10 p.m. on any weekday. The number of weekdays in which cycling may occur shall be limited to not more than 30 weekdays during the June 1 to September 30 summer season. Of the 30 weekdays that may be used for cycling, no more than 15 weekdays may be used by the Company, at its sole discretion, for economic purposes.

In addition, the air conditioner may be "cycled off" for up to 15 minutes out of every 30 minutes during all periods throughout the year as may be required to mitigate a system emergency.

## RIDER "EFT"

ENERGY FOR TOMORROW RIDER (Continued)

## C. Cycling Periods - (Continued)

Water Heaters

Under this option, the Company may cycle off and on the Customer's electric water heater normally on weekdays and normally during the summer season of June 1 through September 30.

The water heater may be "cycled off" up to 8 on-peak hours between 9 a.m. and 10 p.m. on any weekday. The number of weekdays in which cycling may occur shall be limited to not more than 30 weekdays during the June 1 to September 30 summer season. Of the 30 weekdays that may be used for cycling, no more than 15 weekdays may be used by the Company, at its sole discretion, for economic purposes.

In addition, the water heater may be "cycled off" for up to 8 hours out of every 24 hours during all periods throughout the year as may be required to mitigate a system emergency.

## D. Cycling Equipment

The Customer's air conditioner and/or water heater, depending upon the option selected by the Customer, shall be "cycled off" and then "cycled on" by means of a signal transmitted by the Company to a receiver installed at the Customer's residence. The Customer will allow the Company to install, own and maintain the equipment required for the purpose of the Company cycling off and on operation of those appliances as described herein. Such equipment shall be installed by the Company at no direct cost to the Customer.

## E. Payments for Participating Customers Served by Delmarva's Combined Electric Supply &amp; Delivery Service

For a Customer served by Delmarva's combined Electric Supply & Delivery Service, the participating Customer shall be paid by the Company, the amounts stated below for each option the Customer selects. Only one credit per household for each option selected shall be paid to the customer for the months specified below. Payment shall be a separate credit on the Customer's regular monthly electric bill, before applicable taxes, and shall not reduce Customer's monthly electric bill below the Minimum Monthly Charge found on the applicable service classification:

<u>Option Selected</u>	<u>Monthly Credit</u>	<u>Months Credit Paid to Customer</u>
Air Conditioning	\$5.00	June, July, August & September
Water Heating	\$3.00	June, July, August & September

## F. Payments for Participating Customers Supplied by an Electric Supplier, Other than Delmarva

- Electric Suppliers will have two options regarding the EFT program. An Electric Supplier must notify Delmarva of the option selected prior to submitting its first enrollment transaction pertaining to an EFT participant. Failure to provide such notification to Delmarva will result in the Electric Supplier's EFT customers being assigned to Supplier Option 1. The option selected will be applicable to all the Electric Supplier's EFT participants, although an Electric Supplier may switch from one option to the other on an annual basis, subject to necessary PJM approvals, by providing advance notice to Delmarva prior to May 1 of each year.

## RIDER "EFT"

ENERGY FOR TOMORROW RIDER (Continued)F. Payments for Participating Customers Supplied by an Electric Supplier, Other than Delmarva -  
(Continued)

2. Under Supplier Option 1, the participating EFT customer may enter into an agreement for the supply of electricity with a willing third party Electric Supplier. Under the Supplier Option 1 scenario, the EFT customer will receive the EFT credit payment from Delmarva as set forth in Paragraph E above and, for PJM purposes, Delmarva will receive the load reduction amounts resulting from the EFT participant that would be used toward the determination of Delmarva's capacity obligation.

3. Under Supplier Option 2, the participating EFT customer may enter into an agreement for the supply of electricity with a willing third party Electric Supplier. The credit paid by and/or reduced prices charged by a third party Electric Supplier pursuant to Electric Supplier Option 2 will be a matter of contract between the Electric Supplier and the EFT participant. Under the Supplier Option 2 scenario, the agreement negotiated by the two parties shall provide notice to the EFT customer that the customer will no longer be receiving EFT credits from Delmarva. Under Supplier Option 2, for PJM purposes, the Electric Supplier will receive the load reduction amounts resulting from the EFT participant that would be used toward the determination of Electric Supplier's capacity obligation. Under Supplier Option 2, each of Delmarva's EFT participating customers enrolled by such Electric Supplier under Supplier Option 2 shall have received the following disclosure in its contract:

"Customer recognizes that he/she is still a participant in Delmarva's Energy For Tomorrow (EFT) Program and Delmarva may interrupt Customer's electric hot water heating and/or air conditioning appliances as permitted by such EFT Program. Customer further recognizes that Customer will no longer receive credits on its bill from Delmarva for its participation in the EFT Program. Instead of such credits from Delmarva, Customer agrees that the reduced prices charged and/or credits provided by Seller as contained in this agreement compensate Customer for its continued participation in the EFT Program."

EFT participating customers may receive such disclosure from the Electric Supplier by means including, but not limited to, requiring EFT participating customers to acknowledge acceptance by initialing the disclosure; use of separate agreements (or riders) with EFT participating customers; or use of bold type or type of larger font size (not less than 12 point font) to distinguish the disclosure from other provisions of an agreement between an Electric Supplier and a participating customer.

4. Delmarva shall have no responsibility to monitor or enforce Electric Supplier's compliance with the disclosure requirement set forth in subparagraph F.3 above or the manner in which such disclosure is made. A failure by an Electric Supplier to meet such requirements shall in no circumstance result in Delmarva being required to pay any credit to the EFT participating customer for any period prior to the date that a customer is reassigned to Supplier Option 1, which reassignment shall occur only prospectively after the earlier of the date that: (i) the Commission finds a violation of the above disclosure and/or manner of disclosure requirements, (ii) the Electric Supplier voluntarily returns all of its EFT participating customers to Supplier Option 1 and Delmarva is provided the load reduction amount resulting from the EFT participating customers, or (iii) the agreement between the EFT participating customer and the Electric Supplier is terminated.

RIDER "PM"  
PEAK MANAGEMENT RIDER

A. Availability

This Rider is available to any eligible Customer regardless of the Customer’s electric supplier and who is served under Service Classifications "MGS-S", "LGS-S", "GS-P" or "GS-T" having a demonstrated load reduction capability of one hundred kilowatts (100 kW) or more and who agrees to either establish a firm service level and curtail load to that level, or agrees to reduce load by a guaranteed amount upon the request of the Company, as set forth herein. The Company reserves the right to limit the total controllable demand served under this Rider on the Company's electric system. Availability is subject to the economic and technical feasibility of the installation of required Company equipment.

B. Contract Term and Billing

The Customer shall execute an agreement for service provided under this Rider. The agreement shall be for an initial term of twelve (12) months, and year to year thereafter, unless written notice to terminate is given by either party at least sixty (60) days prior to any expiration date. In addition, for agreements executed on and after July 31 of a given year, the initial term shall be for a minimum of twelve (12) months with a maximum term extending to the end of the next subsequent PJM planning period of May 31, and year to year thereafter, unless written notice to terminate is given by either party at least sixty (60) days prior to any expiration date. Also, if PJM reduces or eliminates the benefits of this program to the Company due to the Customer’s enrollment with an Electric Supplier, then the agreement will be subject to termination at the Company’s sole discretion on thirty (30) days notice.

In addition, the Company may enter into contractual commitments with customers that preserve the benefits of this program for the Company.

C. Monthly Peak Management Demand Credit

The Customer's monthly bill shall include a "Peak Management Credit" based upon the Peak Management Option selected by the Customer and the level of the Customer's Peak Management Billing Demand. Peak Management Credits will be applied during the billing months of June through October. The Peak Management Credits for contracts executed before June 20, 2000 are shown in the table below and shall remain in effect until the contract has expired or is terminated. For contracts executed on or after June 20, 2000, the Peak Management Credits are shown in the table below which shall be periodically updated based on the then effective applicable capacity payment under Service Classification “X”, Cogeneration and Small Power Production. If Service Classification “X” is terminated for any reason, the last effective applicable capacity payment shall be used as a basis for the Peak Management Credits for new, renewal or extension contracts executed on and after June 20, 2000.

Credits to be paid to the Customer under this Rider shall be applied, before applicable taxes, as part of the Customer's regular monthly General Service bill.

<u>Peak Management Billing Demand Credit</u>	<u>Monthly June – October Peak Management Credits for Contracts executed Before June 20, 2000</u>	<u>Monthly June – October Peak Management Credits For Contracts executed On or after June 20, 2000</u>
Option 1	\$ 6.00/kW	Sixty percent (60%) of Option 2
Option 2	\$ 10.00/kW	Prevailing PJM rate as described under paragraph C

D. Peak Management Billing Demand

Customers shall contract for either Option A. - Firm Service Level or Option B. - Guaranteed Load Drop as the method for determining their Peak Management Billing Demand. The selected option may not be changed until the expiration of the initial contract term or successive terms.

RIDER "PM"  
PEAK MANAGEMENT RIDER (Continued)

D. Peak Management Billing Demand - (Continued)

Option A - Firm Service Level

The Customer's "Peak Management Billing Demand" in any billing month shall be equal to the lesser of:

1. The Customer's maximum measured demand, as defined under the applicable General Service Classification, less the Customer's contract Firm Service Level, or
2. The Customer's maximum measured demand, as defined under the applicable General Service Classification, less the average of the maximum measured demand(s) recorded during each Peak Management Period for all events in the billing month. Each maximum measured demand recorded during each Peak Management event shall not be less than the Customer's contract Firm Service Level, or
3. Where applicable, the Customer's Maximum Peak Management Billing Demand as set forth in the Peak Management Agreement.

Such Peak Management Billing Demands shall not be less than zero.

Option B - Guaranteed Load Drop

The Customer's "Peak Management Billing Demand" in any billing month shall be equal to the lesser of:

1. The Customer's contract Guaranteed Load Drop, or
2. The Customer's maximum measured demand, as defined under the applicable General Service Classification, less the average of the maximum measured demand(s) recorded during each Peak Management Period for all events in that billing month. Each maximum measured demand recorded during each Peak Management Period event shall not be less than the Customer's expected maximum demand less the Customer's contract Guaranteed Load Drop.

Such Peak Management Billing Demand shall not be less than zero.

E. Firm Service Level or Guaranteed Load Drop

Customers shall contract for a Firm Service Level for Option A or a Guaranteed Load Drop for Option B. The amounts specified in either option will provide for a minimum load reduction of 100 kilowatts. Customers shall be subject to Peak Management Period(s) from June 1 through September 30 between the on-peak hours of 9 a.m. and 10 p.m. on any weekday and during other times throughout the year as may be required to mitigate a system emergency. Where a Peak Management Period is declared during such off-peak and/or non summer periods and a Customer is unable to comply due to operational conditions, the penalty for non-compliance will be waived for that event.

F. Changes in Firm Service Level or Guaranteed Load Drop

Upon ninety (90) days written notice, subject to approval by the Company, the Customer may increase the Firm Service Level or decrease Guaranteed Load Drop amount and/or reestablish selected peak management option for the upcoming peak management season. However, the Customer, upon thirty (30) days written notice and subject to company approval, may decrease the Firm Service Level or increase Guaranteed Load Drop. After the initial three seasons of participation under this Rider, any increase in Customer's Firm Service Level or reduction in Guaranteed Load Drop amount shall not exceed twenty-five (25) percent of the level established during the most recent peak management season. Except that, Customer's Firm Service Level may be increased upon one (1) month's written notice to reflect the addition of load, as verified by the Company. The specified Firm Service Level or Guaranteed Load Drop shall, after adjustment, continue to provide for a minimum load reduction of 100 kW.

## RIDER "PM"

PEAK MANAGEMENT RIDER (Continued)

## G. Peak Management Compliance

The Company shall provide a minimum of one-hour notice prior to initiating a Peak Management Period. The maximum recorded demand of the Customer must be reduced to a level at or below the Customer's contract Firm Service Level or provide the Guaranteed Load Drop, by the beginning of the Peak Management Period. The Customer's demand must be maintained at or below Customer's contract Firm Service Level or the Customer must provide the Guaranteed Load Drop until the end of the Peak Management Period. The Company is solely responsible for determining the need for initiating a Peak Management Period.

## H. Peak Management Options Available

The Customer has the option to contract for either one of the two Peak Management Options listed below which will determine the Peak Management Billing Demand Credit that the Customer will receive.

<u>Peak Management Options</u>	<u>Maximum Duration of Peak Management Period</u>	<u>Maximum Number of Peak Management Periods Per Calendar Year</u>	<u>Annual Maximum Hours</u>
1	4 Hours	20	80
2	8 Hours 4 Hours Minimum	40	160

## I. Penalty for Non-Compliance

Except as provided for in Section E, if, upon request by the Company to the Customer, the Customer fails to effect the reduction to the applicable Firm Service Level or provide the Guaranteed Load Drop, the Customer shall be subject to a penalty as follows: The Company shall record the measured demands established by the Customer during each Peak Management Period(s) of the billing month. The maximum such demand in excess of Customer's contract Firm Service Level or Load Drop Shortfall, depending upon the option selected by the Customer, shall be recorded during each Peak Management Period. The Load Drop Shortfall equals 1) the Customer's contract Guaranteed Load Drop, minus 2) The maximum measured demand, as defined under the applicable General Service Classification, less the maximum measured demand established during each Peak Management Period. The Load Drop Shortfall shall not be less than zero.

At the Company's discretion, the Load Drop Shortfall may be reviewed and adjusted based upon more detailed available information to better reflect the Customer's actual Peak Management performance.

The sum of such recorded excess demand or Load Drop Shortfall shall be divided by the number of Peak Management Periods designated by the Company during the billing month to determine the Customer's average "Non-Compliance Demand".

The Customer's penalty for non-compliance for the billing month shall equal the product of the Non-Compliance Demand and two (2) times the applicable Peak Management Credit for the billing month. The total penalty for non-compliance during the last twelve (12) months shall not exceed the total Peak Management Credits provided to the Customer in the most recent twelve (12) months, beginning with August 1, 2002. Except that, the Company shall waive the application of the Non-Compliance Demand penalty during the Customer's first billing month of operation under this Rider.

The Company has the right to terminate the Peak Management contract of a Customer who fails to comply with a request for load reduction during a Peak Management Period.

RIDER "PM"  
PEAK MANAGEMENT RIDER (Continued)

J. Billing Demand Free Periods

After each of the Peak Management Period(s) is terminated, the day's remaining on-peak hours will not be utilized to establish a billing demand.

K. Company Equipment

The Customer will allow the Company to install, own and maintain the equipment required for the purpose of administering this Rider. Such equipment shall be installed by the Company at no direct cost to the Customer.

## RIDER "NEM"

NET ENERGY METERING RIDER

## A. Availability

This Rider is available to any Customer served under Service Classifications "R", "R-TOU", "R-TOU-ND", "R-TOU-SOP", "SGS-ND", and "MGS-S", who owns and operates an electric generation facility that:

1. Has a capacity of not more than 25 kilowatts;
2. Uses solar, wind, hydro or other forms of renewable resources as its primary source of fuel;
3. Is located on the Customer's premises;
4. Is interconnected and operated in parallel with the Company's transmission and/or distribution facilities; and
5. Is intended primarily to offset all or part of the Customer's own electricity requirements.

This Rider is not available to Customers served under Service Classification "X", Cogeneration and Small Power Production.

## B. Connection to the Company's System

Any Customer who elects this Rider must notify the Company, in writing, at least 30 days prior to activating the electric generation facility and include in the notification the size, type, manufacturer and manufacturer specifications of all components of the electric generation facility. The electric generation facility shall not be connected to the Company's system unless it meets all applicable safety and performance standards established by the National Electric Code, The Institute of Electrical and Electronics Engineers, Underwriters Laboratories, and as currently detailed in the Technical Considerations Covering Parallel Operations of Customer Owned Generation dated January 19, 2000, and the applicable codes of the local public authorities. Special attention should be given to the National Electrical Code Sections 690 and 705. The Customer must obtain, at the Customer's expense, all necessary inspections and approvals required by the local public authorities before the electric generation facility is connected to the Company's electric system. The electric generation facility shall be connected in parallel operation with the Company's electric system and shall have adequate protective equipment as described in Section G below.

## C. Delivery Voltage

The delivery voltage of the electric generation facility shall be at the same voltage level and at the same delivery point as if the Customer were purchasing all of its electricity from the Company.

## D. Contract Term

The contract term shall be same as that under the Customer's applicable Service Classification.

## E. Monthly Rates, Rate Components and Billing Unit Provisions

The monthly rates, rate components and billing unit provisions shall be those as stated under the Customer's applicable Service Classification. Under this Rider, only the per kilowatt-hour charge components of the Customer's bill are affected. The monthly charges shall be based on one the following conditions:

## RIDER "NEM"

NET ENERGY METERING RIDER - (Continued)

## E. Monthly Rates, Rate Components and Billing Unit Provisions - (Continued)

- a) When the monthly energy meter reading registers that the Customer has consumed more energy than the Customer delivered to the Company's delivery system by the end of the monthly billing period, the Customer shall be charged for the net amount of electricity consumed based on the rates and charges under the Customer's applicable Service Classification for either Delivery Service when the Customer has an Electric Supplier other than the Company as its electric supplier, or the combined Supply & Delivery Service when the Customer has the Company as its electric supplier; or
- b) If the Customer is receiving combined Electric Supply & Delivery Service, and the monthly energy meter reading registers that the Customer has delivered more energy to the Company's delivery system than the Customer has consumed by the end of the monthly billing period, the Customer shall be charged the Customer Charge based on the Customer's applicable Service Classification. In addition, the Company shall receive and take ownership of the delivered energy from the Customer and the Company shall credit the Customer for that delivered energy at a price equal to the Standard Offer Service energy kWh rates as set forth in the tariff leafs for the Customer's applicable service classification. When a Customer has a credit balance of greater than \$100, the Customer may request payment from the Company for the total credit balance. Such special handling payments shall not be made more frequently than once a quarter; or
- c) If the Customer has an Electric Supplier other than the Company and the monthly energy meter reading registers that the Customer has delivered more energy to the Company's delivery system than the Customer has consumed by the end of the monthly billing period, the Electric Supplier shall be deemed to have received and taken ownership of the delivered energy from the Customer at a cost to the Electric Supplier as agreed upon by the Customer and the Electric Supplier. The Customer shall be provided by their Electric Supplier the terms and conditions of the purchase power agreement, including the Electric Supplier's payment terms when the Customer has a credit balance.

## F. Metering

The watt-hour energy meter at the Customer's location shall measure the net energy consumed by the Customer or the net energy delivered by the Customer's electric generation facility for the monthly billing period. The Company shall furnish, install, maintain and own all the metering equipment needed for measurement of the service supplied. Under this Rider, the Company shall provide, at no additional direct charge to the Customer, a watt-hour energy meter with the capability of reverse registration in order to measure the net watt-hours consumed by the Customer or the net watt-hours delivered by the Customer to the Company for the monthly billing period. Where a larger capacity meter is required to serve the Customer that has an electric generation facility, or a larger capacity meter is requested by the Customer, the Customer shall pay the Company the difference between the larger capacity meter investment and the metering investment normally provided under the Customer's Service Classification.

## RIDER "NEM"

NET ENERGY METERING RIDER - (Continued)

## G. Protective Equipment and Cessation of Parallel Operation

Interconnection with the Company's system requires the installation of protective equipment which provides safety for personnel, affords adequate protection against damage to the Company's system or to the Customer's property, and prevents any interference with the Company's supply of service to other Customers. Such protective equipment shall be installed, owned and maintained by the Customer at the Customer's expense. The Customer's equipment must be installed and configured so that parallel operation must cease immediately and automatically during system outages or loss of the Company's primary electric source. The Customer must also cease parallel operation upon notification by the Company of a system emergency, abnormal condition, or in cases where such operation is determined to be unsafe, interferes with the supply of service to other Customers, or interferes with the Company's system maintenance or operation. Generation systems and equipment that comply with the standards established in Section B shall be deemed by the Company to have generally complied with the requirements of this section. For systems not covered by the standards in Section B, the "Technical Requirements" shall apply.

## H. Modification of the Company's System and Liability

If it is necessary for the Company to extend or modify portions of its systems to accommodate the delivery of electricity from the electric generation facility, such extension or modification shall be performed by the Company at the Customer's expense. For new services, such expense shall be determined by the difference between total costs and the investment the Company would make to install a normal service without the Customer's electric generation facility.

The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the Customer to operate in compliance with Company's requirements. The Company shall not be liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric current or potential which originates from the Customer's electric generation facility, except as the Company would otherwise be liable under the Company's Delaware electric tariff. Connection by the Utility under this Rider does not imply that the Utility has inspected or certified that any Customer-generator's facility has complied with any necessary local codes or applicable safety or performance standards. All inspections, certifications and compliance with applicable local codes and safety requirements are the sole responsibility of the Customer-generator.

## I. Failure to Comply

If the Customer fails to comply with any of the requirements set forth in sections G and H above, the Company may disconnect the Customer's service from the Company's electric system until the requirements are met, or the electric generation facility is disconnected from the Customer's electric system.

## J. Public Utilities Tax

In addition to the charges provided for in this Service Classification, the Delaware State Public Utilities Tax shall apply to all services, including any applicable electric supply services, rendered hereunder, unless the Customer is exempt from such tax.

## K. Rules and Regulations

The Rules and Regulations set forth in this tariff shall govern the provision of service under this Service Classification.

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## SERVICE CLASSIFICATION "NCR"

NEGOTIATED CONTRACT RATE

## A. Purpose

The Negotiated Contract Rate (the "NCR") is intended to enable the Company to respond to Customer needs and the increasingly competitive forces in the energy and delivery services market. It shall be used by the Company to respond to competitive pricing situations resulting from fuel switching, facility relocation or expansion, partial or complete plant production shifting, and potential physical bypass. The Company shall use the provisions of this Service Classification only after a determination that other existing tariff options will not meet the Customer's needs.

## B. Eligibility

The NCR is available to Customers who would otherwise be eligible for service from the Company under Service Classifications "GS-P" and "GS-T", and qualify as specified herein. Customer qualification shall be based upon meeting each of the following criteria as determined by the Company:

- (a) The Customer has an economic competitive alternative to full or partial service from the Company's standard tariff rates;
- (b) The Customer is likely to select such an alternative if the Company does not provide a negotiated contract rate offer; and
- (c) The Customer will provide net revenues above the incremental costs to provide service.

The Company shall determine eligibility based upon information supplied by the Customer. The Company's evaluation of the application shall consider the economics of the competitive alternative, as well as the practical aspects of securing that alternative (e.g., ability to secure environmental permitting, feasibility studies, switching ability, ability to secure required capital).

The availability of the NCR may be limited or discontinued from time to time, as the Company determines is appropriate and the Delaware Public Service Commission approves.

## C. Service Options

If, after reviewing the Customer's application for service, the Company concludes that the Customer meets all the eligibility requirements listed above, the Company shall enter into negotiations with the Customer for the purpose of offering such services as are believed to meet the Customer's requirements. Competitive offers may be made in a manner which provide the Customer with increased choices for service. Service options differentiated by contract term, contract quantity, pricing options, and service attributes may be made available to the qualifying Customer. The agreed upon services shall be specifically described within the Customer Contract.

## D. Contract

Eligible Customers requesting this Service Classification will be presented with a Contract, which specifies the terms and conditions of the contractual agreement between the Company and Customer. The Contract shall establish the otherwise applicable Service Classification for the Customer. The Customer must sign the Contract prior to commencement of this service and any investment by the Company. Service under the contractual agreement will commence on the date as specified in the Contract.

## SERVICE CLASSIFICATION "NCR"

NEGOTIATED CONTRACT RATE (Continued)

## E. Confidentiality

The Contract shall be considered a confidential document between the Company and Customer. By signing the Contract, the Customer and the Company agree not to share the Contract or information contained within the Contract with anyone except the parties to the contract, the Delaware Public Service Commission and the Office of the Public Advocate, unless given written consent from the other party. Violations by the Customer of the confidentiality agreement shall permit the Company to terminate the contract with the Customer and reclassify the Customer by assigning the Customer to the appropriate Service Classification. The Customer shall also be responsible for the additional damages or prejudices to any other existing or potential contracts resulting from the breach of confidentiality.

## F. Pricing Options

Pricing shall be determined on a case-by-case basis according to the nature of the competitive situation. The final arrangements between the Company and Customer shall be included in the Contract.

## G. Contract Termination Clause

The contract between the Company and Customer shall include penalty provisions for early contract cancellation. If at any time prior to the end of the contract term, the Customer elects to terminate the contractual agreement with the Company without exercising an option for continuing service, the Customer shall be obligated to the terms for cancellation as specified within the Contract.

## H. Increase In Rates And Charges

Unless specifically stated within the Contract, energy sales under this Service Classification shall be subject to any applicable electric supply services charge and those provisions as described in the Tariff.

Customers subscribing to this Service Classification shall be assessed all surcharges of the otherwise applicable Service Classification.

The rates and charges under this Service Classification, including any applicable electric supply services charges and all applicable surcharges, shall be increased by the applicable Delaware State Public Utilities Tax, unless the Customer is exempt from such tax.

## I. Contract Terms Filed With The Commission

The Company shall file the Contract terms with the Delaware Public Service Commission at least 30 days prior to the effective date of the Contract.

## SERVICE CLASSIFICATION "ES"

ELECTRIC SUPPLIER

## A. Purpose

This Electric Supplier ("ES") Service Classification is available to an Electric Supplier, including a marketer, broker and other entity, that sells electricity to retail electric Customers within Delmarva Power & Light Company's Delaware retail electric service territory and where such electricity is delivered to the Customer by the Company over the Company's transmission and distribution facilities

## B. Eligibility

The ES service classification is available to any Electric Supplier that satisfies each of the following conditions:

- (a) Obtains a certification of technical competence from the Company;
- (b) Provides a credit enhancement tool to the Company sufficient to ensure compensation to the Company in the event of the Electric Supplier's non-performance;
- (c) Meets all of the certification and code of conduct requirements as set forth by the Public Service Commission of Delaware, including obtaining a certificate as an Electric Supplier in the State of Delaware;
- (d) Meets all of the applicable requirements, as currently in effect and as they may change from time to time, of the PJM Interconnection, LLC, the PJM Control Area and the North American Electric Reliability Council or its successor;
- (e) Executes an Electric Supplier Agreement in the form prepared by the Company;
- (f) Agrees to the terms and conditions as set forth in the Operating Procedures Manual for Electric Retail Competition, as in effect and as it may change from time to time;
- (g) Agrees to comply with all applicable state and local tax requirements;
- (h) Agrees to comply with all applicable federal and state consumer protection and environmental laws and regulations; and
- (i) Agrees to comply with the regulations and requirements, as currently in effect and as they may change from time to time, as set forth by the Public Service Commission of Delaware.

The Company shall determine eligibility based upon information provided by the potential Electric Supplier. The failure of an Electric Supplier to comply with and to maintain compliance with the above conditions may result in the loss of the Electric Supplier's certification in the State of Delaware.

## RIDER "SOS"

STANDARD OFFER SERVICE RIDER**A. Availability**

Available in the Delaware portion of the Company's service area for the provision of electric supply and transmission services to Customers who do not have an Electricity Supplier for supply and transmission services.

Fixed Price Standard Offer Service is provided to customers in the following SOS Customer Groups:

SOS Customer Grouping

1. R, Space Heating R, R-TOU, R-TOU-ND, R-TOU-SOP, SGS-ND, Separately Metered Water Heating, Separately Metered Space Heating, ORL, OL, X
2. MGS-S
3. LGS-S\*
4. GS-P\*\*

\* Customers in Service Classification LGS-S may be required to be served under Hourly Priced Service in accordance with the Availability requirements of Rider HPS.

\*\*Customers in Service Classification GS-P may elect or be required to be served under Hourly Priced Service in accordance with the Availability requirements of Rider HPS.

Customers in Service Classification GS-T must take Hourly Priced Service.

The key features governing the provision of Standard Offer Service are described in this Rider.

**B. Monthly Rate**

Customers receiving Standard Offer Service and Hourly Priced Service, as defined above, in the Rules and Regulations and under the applicable Service Classification, will pay the Delivery Service Charge, Transmission Service Charge, Standard Offer Service Charge and Procurement Cost Adjustment including all applicable taxes.

The Distribution and Standard Offer Service Charges are stated in the Monthly Charges and Rates table for the Customer's applicable Service Classification. The Charges for Hourly Priced Service are defined under Rider HPS and stated in the Monthly Charges and Rates table for the Customer's applicable Service Classification. The Transmission Service Charge is designed to recover, on an aggregate basis, FERC-approved transmission charges and any other PJM charges and costs incurred by the Company. The retail transmission rate for customers taking service under Rider SOS shall be equal to the customer's annual transmission obligation multiplied by the Network Integration Transmission Service Rate for the Delmarva Transmission Zone as defined in Attachment H-3 of the PJM Open Access Transmission Tariff (OATT), adjusted for Gross Receipts Tax, PSC Assessment and Local Taxes. For the period of June 1, 2007 through May 31, 2008, the Transmission Service Charge is \$1.139 per kW-month.

The Standard Offer Service Rate for each Service Classification, including any usage incurred under associated Riders, will include the costs for energy, capacity and ancillary services as reflected in the awarded electric supply prices for specific services in each year; a charge intended to recover incremental expenses and carrying charges incurred in the provision of Standard Offer Service; and any applicable taxes.

## RIDER "SOS"

STANDARD OFFER SERVICE RIDER (continued)**C. Procurement Cost Adjustment ("PCA")**

Beginning on June 1, 2007, and on an annual basis thereafter, the Company will determine a Procurement Cost Adjustment ("PCA") which will reflect the difference between the actual cost of serving customers in each fixed price SOS customer group and the amount billed to fixed price SOS customers for the same time period, plus interest at a rate equal to the Company's overall return. The PCA is a \$ per kilowatt-hour rate applied to the Customer's billed kilowatt-hours.

The current applicable PCA by Customer Grouping is as follows:

<u>SOS Customer Grouping</u>	
1. R, Space Heating R, R-TOU, R-TOU-ND, R-TOU-SOP, SGS-ND, Separately Metered Water Heating, Separately Metered Space Heating, ORL, OL, X	\$0.001424 per kWh
2. MGS-S	\$0.001207 per kWh
3. LGS-S	(\$0.015199) per kWh
4. GS-P	\$0.001450 per kWh

This PCA levels are included in the SOS charges as specified on the applicable Service Classification Monthly Charges and Rates tariff leaf.

**D. Publication of Standard Offer Service Rates**

The Standard Offer Service Rates are shown under the Monthly Charges and Rates table of the tariff and are posted on the Company's website at [www.delmarva.com](http://www.delmarva.com).

## RIDER "HPS"

HOURLY PRICED SERVICE RIDER**A. Availability**

Hourly Priced Service ("HPS") is the provision of electric supply, ancillary, transmission and related services to Customers at rates based on the current market cost in the Company's Delaware service territory. Hourly Priced Service is available to customers under the following conditions:

Service Classification GS-T

HPS is the mandatory form of SOS for Customers in Service Classification GS-T.

Service Classification GS-P and LGS-S

HPS is the mandatory form of SOS for Customers in Service Classification GS-P and LGS-S who meet the following criteria.

1. When a Customer has Capacity PLC of 1,000 or higher and customer has purchased its electric supply services from an Electric Supplier other than the Company and then returns to the Company for its electric supply services, the Customer must be served under the HPS Rider. However, a Customer may elect to switch to an Electric Supplier at any time, following the switching rules approved by the Public Service Commission.
2. A Customer may elect to switch from HPS to Standard Offer Service (SOS) after they have been on the HPS Rider for a period of twelve consecutive months.

Service Classification GS-P

HPS is also available to customers in Service Classification GS-P who meet the following eligibility requirements:

1. Customers must make an affirmative election to take HPS in accordance with the timeframe specified by the Company in its notification to the customer of their ability to elect HPS. The election shall be operative during any part of a year during which the customer is receiving SOS, including any customer who may return to SOS after receiving supply service from a electric supplier.
2. Customers have or agree to pay to have an interval meter installed no later than 30 calendar days prior to the first day of receiving HPS.
3. The failure to make an election in any given year will mean that a customer will remain on their current form of SOS (fixed price SOS or HPS).

**B. Monthly Rate**

The monthly Hourly Priced Service charge shall equal the total of the following:

1. Energy Charges equal to the customer's hourly load multiplied by the real time PJM Load Weighted Average Locational Marginal Prices (LMP) for the Delmarva Zone, adjusted for losses; or, if elected by the customer, at the LMP at the specific bus or buses serving the customer's load, adjusted for losses.

## RIDER "HPS"

HOURLY PRICED SERVICE RIDER (continued)

2. Generation Capacity Obligation Charge determined by summing over each day during the Customer's billing period the Customer's Obligation in MW multiplied by the daily cost per MW of procuring capacity. The daily capacity procurement cost shall be in dollars per MW-day, based on capacity purchased to cover HPS shortages and any penalties or deficiency charges and broker fees accruing for the day of the calculation.
3. Monthly Ancillary Charge determined by multiplying the Customer's energy usage for the billing month, adjusted for losses, by the previous month's average cents per kWh ancillary service cost for Delaware HPS Customers in the DPL Zone as determined and reported by PJM.
4. Transmission Charge designed to recover, on an aggregate basis, FERC-approved transmission charges and any other PJM charges and costs incurred by the Company.

The retail transmission rate for customers taking service under Rider HPS shall be equal to the customer's annual transmission obligation multiplied by the Network Integration Transmission Service Rate for the Delmarva Transmission Zone as defined in Attachment H-3 of the PJM Open Access Transmission Tariff (OATT), adjusted for Gross Receipts Tax, PSC Assessment and Local Taxes. For the period of June 1, 2007 through May 31, 2008, the Transmission Service Charge is \$1.139 per kW-month.

**C. Hourly Priced Service Procurement Cost Adjustment ("HPS-PCA")**

Beginning on June 1, 2007, and on an annual basis thereafter, the Company will determine an Hourly Priced Service Procurement Cost Adjustment ("HPS-PCA") which will reflect the difference between the actual cost of serving Customers under HPS, including any cost adjustments from the PJM Settlement system, and the amount billed to HPS Customers for the same time period, plus interest at a rate equal to the Company's overall return. The Company will determine the HPS-PCA rate by dividing the HPS-PCA amount by the total kilowatt-hour sales of the then current HPS Customers.

The current applicable HPS- PCA is \$0.000135 per kWh. This amount is included in the SOS charges as specified on the applicable Service Classification Monthly Charges and Rates tariff leaf.

**RIDER "SOSPIC/DCA"**  
**SOS PHASE IN CREDIT/DEFERRED COST ADJUSTMENT RIDER**

**A. Availability**

The SOS Phase In Credit (PIC) and Deferred Cost Adjustment (DCA) are applicable to Customers in SOS Customer Group 1 (with the exception of Service Classification X) unless they affirmatively choose not to receive the SOSPIC ("opt out") during the designated opt out period ending April 28, 2006. The PIC is intended to phase in the effect of the full SOS increases that will become effective on May 1, 2006. Rider PIC and DCA are available to any customers in the eligible classes, regardless of whether they are receiving SOS from the Company.

Customers taking service under this Rider are subject to the terms of this Rider through the entire Deferral and Recovery Periods specified in Paragraphs B and C below. In the event that a Customer who has opted to be served under the terms of this Rider subsequently chooses to obtain Supply service from an Electricity Supplier during any part of the period specified in Paragraph B below, the terms of this Rider shall still apply for service provided by the Company during that period.

**B. SOS PIC Monthly Rate**

The SOS Phase In Credit is a dollar per kilowatt-hour credit, as specified in the schedule below, applied to the customer's monthly usage during the Deferral Period of May 1, 2006 through December 31, 2007.

<u>Service Classification</u>	<u>SOS Phase In Credit (\$/kWh)</u>			<u>Deferred Cost Adjustment</u> <u>("DCA")</u>
	<u>May 1, 2006 –</u> <u>Dec 31, 2006</u>	<u>Jan 1, 2007 -</u> <u>May 31, 2007</u>	<u>June 1, 2007 –</u> <u>Dec 31, 2007</u>	<u>Jan 1, 2008-</u> <u>May 31, 2009</u>
<b>R</b>				
First 500 kWh Rate - Summer	(\$0.032881)	(\$0.009971)	\$0.000000	See Paragraph C
Excess kWh Rate – Summer	(\$0.032881)	(\$0.009971)	\$0.000000	" "
First 500 kWh Rate - Winter	(\$0.047008)	(\$0.022158)	(\$0.004822)	" "
Excess kWh Rate – Winter	(\$0.039677)	(\$0.017661)	(\$0.002303)	" "
<b>Space Heating R</b>				
First 500 kWh Rate - Summer	(\$0.039796)	(\$0.017124)	(\$0.004171)	See Paragraph C
Excess kWh Rate – Summer	(\$0.039796)	(\$0.017124)	(\$0.004171)	" "
First 500 kWh Rate - Winter	(\$0.056577)	(\$0.031602)	(\$0.005589)	" "
Excess kWh Rate – Winter	(\$0.026812)	(\$0.012706)	(\$0.002755)	" "
<b>R-TOU</b>				
On Peak Rate - Summer	(\$0.029531)	(\$0.010977)	\$0.000000	See Paragraph C
Off Peak Rate - Summer	(\$0.021290)	(\$0.007914)	\$0.000000	" "
On Peak Rate – Winter	(\$0.041425)	(\$0.015399)	\$0.000000	" "
Off Peak Rate – Winter	(\$0.029691)	(\$0.011037)	\$0.000000	" "
<b>R-TOU-ND</b>				
On Peak Rate - Summer	(\$0.058052)	(\$0.018343)	\$0.000000	See Paragraph C
Off Peak Rate - Summer	(\$0.019555)	(\$0.008425)	\$0.000000	" "
On Peak Rate - Winter	(\$0.073801)	(\$0.034271)	(\$0.004229)	" "
Off Peak Rate – Winter	(\$0.029029)	(\$0.016193)	(\$0.006438)	" "

## RIDER "SOSPIC/DCA"

SOS PHASE IN CREDIT/DEFERRED COST ADJUSTMENT RIDER (continued)**B. SOSPIC Monthly Rate (continued)**

<u>Service Classification</u>	<u>SOS Phase In Credit (\$/kWh)</u>			<u>Deferred Cost Adjustment ("DCA")</u>
	<u>May 1, 2006 – Dec 31, 2006</u>	<u>Jan 1, 2007 - May 31, 2007</u>	<u>June 1, 2007 – Dec 31, 2007</u>	
<b>R-TOU-SOP</b>				
On Peak Rate - Summer	(\$0.063413)	(\$0.031366)	(\$0.007010)	See Paragraph C
Off Peak Rate - Summer	(\$0.019207)	(\$0.006221)	\$0.000000	" "
Super Off Peak - Summer	(\$0.013720)	(\$0.007195)	(\$0.002236)	" "
On Peak Rate - Winter	(\$0.079448)	(\$0.047518)	(\$0.023251)	" "
Off Peak Rate – Winter	(\$0.029059)	(\$0.014456)	(\$0.003357)	" "
Super Off Peak - Winter	(\$0.019953)	(\$0.012405)	(\$0.006668)	" "
<b>SGS-ND</b>				
Summer	(\$0.030103)	(\$0.002881)	\$0.000000	See Paragraph C
Winter	(\$0.037958)	(\$0.011251)	(\$0.002708)	" "
<b>Separately Metered Water Heating</b>				
Summer	(\$0.028943)	(\$0.013791)	(\$0.002275)	See Paragraph C
Winter	(\$0.043109)	(\$0.025728)	(\$0.012519)	" "
<b>Separately Metered Space Heating</b>				
Summer	(\$0.041985)	(\$0.021007)	(\$0.005064)	See Paragraph C
Winter	(\$0.042911)	(\$0.025200)	(\$0.011740)	" "
<b>ORL</b>				
Summer	(\$0.039025)	(\$0.017092)	(\$0.000423)	See Paragraph C
Winter	(\$0.058398)	(\$0.032918)	(\$0.013554)	" "
<b>OL – All kWhs</b>	(\$0.025931)	(\$0.012242)	(\$0.001838)	See Paragraph C

**C. Deferred Cost Adjustment ("DCA")**

Any amounts credited to the Customer's bill through the SOS Phase In Credit will be accumulated in an individual customer account. After the end of the Deferral Period, the amount thus accumulated will then be returned to the Company in 17 equal monthly lump sum payments (Recovery Period). These equal lump sum payments will be added to the Customer's bill starting with monthly bills issued in January 2008. If a final bill is rendered for any reason, during either the Deferral Period or the Recovery Period, any unamortized Deferred Cost Adjustment balance will be due and payable immediately in such final bill.

Any DCA amount that has not been recovered from participating customers as of July 1, 2009, will be added to the recoverable costs included in the SOS rate and recovered from all SOS customers over a 12 month period.