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NOTICE TO RESIDENTIAL CUSTOMERS

Maryland Public Service Commission Approves Increase in Distribution Rates

The Maryland Public Service Commission has approved an overall 15.8 percent increase in Delmarva Power's electric distribution rates. The new rates will be applied to bills beginning August 16, 2007, but will reflect energy used on and after June 16, 2007.

Under the new rates, the total average monthly bill for a typical Maryland residential customer using 1,000 kilowatt-hours of electricity will increase 2.7% or \$3.68.

This is the first increase in Delmarva's electric delivery rates in more than a decade. The rate increase will cover reliability improvements and support investment in new technology to keep pace with growth and increasing customer demand for power.

The Public Service Commission also approved a new mechanism that encourages Delmarva Power to promote conservation and energy-efficiency programs for its customers in the future.

For a complete listing of residential rate schedules as well as tips for saving energy and money on your electric bill, visit www.delmarva.com.

NOTICE TO COMMERCIAL CUSTOMERS

Maryland Public Service Commission Approves Increase in Distribution Rates

The Maryland Public Service Commission has approved an overall 15.8 percent increase in Delmarva Power's electric distribution rates. The new rates will be applied to bills beginning August 16, 2007, but will reflect energy used on and after June 16, 2007.

Since energy used by commercial customers varies widely, it is difficult to provide an average impact on the total monthly bill. For a complete listing of rate schedules, commercial customers are encouraged to visit www.delmarva.com.

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