

COVER PAGE FOR THE DPL - MARYLAND ELECTRIC TARIFF

CURRENT UPDATE

Internet update on or before: May 5, 2009

Tariff changes effective: Proposed (Subject to Commission Approval) for June 1, 2009

Total Pages (+ Cover): N/A; Total Leafs: N/A

Reason for the Tariff Changes: New Rider UCR – Uncollectible Recovery Surcharge.
This rate is Proposed and Subject to Commission Approval.

Case / Order Reference(s): N/A

Leaf Nos. changed in this update: 103

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UNCOLLECTIBLE RECOVERY SURCHARGE**RIDER "UCR"****A. AVAILABILITY**

The Distribution Charges billed under the Schedules "R", "R-TOU-ND", "SGS", "LGS", "GSP", "GST", "TN", "ORL", and "OL" shall be subject to a Rider "UCR" Surcharge. The Rider "UCR" surcharge recovers the difference between actual uncollectible expense and the uncollectible expense included in distribution base rates which is based on a test period year ending September 30, 2006. After the initial UCR surcharge calculation (see below), the UCR surcharge will be computed quarterly and shall be based on the actual costs incurred for uncollectible expense less the amount included in base rates for uncollectible expense and the amount recovered through the UCR surcharge.

B. CALCULATION OF SURCHARGE

The initial amount to be recovered by Rider "UCR" shall be computed by subtracting the normalized level of uncollectible expense for the past 12 months from the actual level of uncollectible expense. The normalized level of expense shall be calculated by multiplying the base test period level of expense by the ratio of the actual annual base distribution revenue to the test period level of base distribution revenue at the rate level approved in the most recent proceeding. This result, plus any applicable true up amount from previous periods, shall be divided by the forecast level of sales for the rate effective period to derive the dollar per kilowatt-hour surcharge.

Formulaically:

$$UCR = \frac{UC_{Actual} - UC_{TestYear} * \frac{ActualBaseDistribution\ Revenue}{TestYearApprovedDistribution\ Revenue} + Trueup}{KWH_{Forecast}}$$

UC is the dollar amount of Uncollectible Expense.

C. FILING

The Company shall file with the Commission a copy of the computation of Rider "UCR" at least 30 days prior to the proposed application on customers' bills. The Company shall furnish Commission Staff sufficient workpapers for the review and audit of the surcharge.

The current applicable Rider "UCR" is available on the Company's website at www.delmarva.com.