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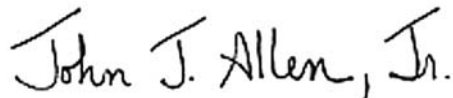
Dear Customer,

This Customer Information Guide includes information on your electric service, how to read your meter, and how your bill is calculated. We suggest you keep this guide handy for future reference.

This guide was prepared in compliance with the Code of Maryland Regulations (COMAR) 20.30.04 and with the cooperation and guidance of the Maryland Public Service Commission. We hope it will be helpful to you.

If you'd like more information on any subject covered here, please give us a call. We'll be glad to help.

Sincerely,



*John J. Allen
Vice President*

24 HOUR EMERGENCY NUMBERS -

To report outages or wires down, call us any time at:

(800) 898-8045 for the Eastern Shore, or

(800) 898-8042 in Cecil & Harford Counties

EMPLOYEE IDENTIFICATION

For your protection, all Delmarva Power employees are required to carry a photo-identification card with them at all times. To protect yourself, ask to see the card of anyone who wants to enter your home claiming to be a Delmarva Power employee. We carry identification cards for your safety and expect to be asked.

MARYLAND ELECTRIC CHOICE

Your electric service consists of two main parts:

- **SUPPLY**, which is the electricity itself; and
- **DELIVERY**, the service that gets the electricity from the power plant, through the wires, and to your home or business.

In the past, Delmarva Power handled both functions. Since 2000, however, Delmarva Power customers have had the right to choose an electricity supplier other than Delmarva Power.* By shopping and comparing prices, you may be able to save money or purchase innovative products and services.

Whether you choose a competitive supplier or not, Delmarva Power will continue to deliver the electricity to you through the same power lines that exist today. The reliability of your service will not be affected by your choice. Delmarva Power will also continue to read your meter, maintain the power lines, and restore service in the event of any disruption, such as storm damage.

To request a free guide to enrollment, call Delmarva Power at (800) 775-9990. For more information about Electric Choice, the Maryland Public Service Commission (PSC) has an Answer Center you can call at (800) 800-4491 or visit on the web at <http://www.md-electric-info.com/>.

** Maryland law states that the Electric Choice program does not automatically apply to municipal electric utilities. Hence, customers residing within the service territory of a municipal electric utility which, pursuant to Md. Ann. Code section 7-510(a)(2), has not elected to make its service territory available for customer choice, such as the St. Michaels Utilities Commission (SMU), are not eligible to participate in Electric Choice. SMU customers with questions regarding Electric Choice eligibility should contact the Choptank Call Center at 1-877-892-0001, or visit www.choptankelectric.com.*

MISS UTILITY

Maryland law requires that anyone planning to dig in an area where a public service company has underground facilities must notify Miss Utility, a free utility locator service, at least 48 hours before excavation begins. Striking an underground utility line can cause death or severe personal injury, service interruptions to customers, equipment damage, and create a safety hazard. To obtain the location of our underground cables and equipment, call Miss Utility toll-free. In Cecil and Harford Counties call 8-1-1 or (800) 257-7777. Elsewhere in Maryland, call 8-1-1 or (800) 441-8355.

Anyone who fails to comply with Miss Utility laws is subject to a civil penalty of \$1,000 or 10 times the cost of repairs.

APPLICATION FOR OR TRANSFERRING OF SERVICE

You can now apply for or transfer Delmarva Power service at www.delmarva.com. Delmarva Power will also accept either written or verbal application for service. Written applications should include your name, address, social security number, home and work telephone numbers, and the name of your employer. If there is more than one responsible adult who will be residing in the home, two of those individuals' names should be listed on the application. This will allow either person to discuss the account with our representatives and address any future concerns. Each applicant will be responsible for the account.

If there is a reasonable basis for questioning the authority of a person requesting service in the name of an applicant, the applicant may be asked to present satisfactory identification in person and to fill out a written application.

IF YOU CANNOT PAY YOUR BILL

We're concerned that some of our customers may have difficulty paying their bills and might be worried that their service will be disconnected. We don't want that to happen. If you can't pay your bill on time, call us. We'll try to find a solution to help you.

ALTERNATE PAYMENT ARRANGEMENTS

As soon as it becomes clear to a customer that the bill can't be paid, the customer should contact us; installment payments may be arranged. The amount of the installments will be determined by:

- the amount of the unpaid balance
- the ability of the customer to pay
- the customer's past payment record
- the length of time the bill has been outstanding.

A finance charge of 1½% of the unpaid balance will be added to the installment payment each month. If customers fail to keep their side of the agreement, we have the option of declaring the arrangement void and proceeding with normal collection, up to and including disconnect.

Payment Assistance Programs

For more information on the Maryland Energy Assistance Program and Electric Universal Service Program below, contact the local energy assistance agency in your area, or the Office of Home Energy Programs at (800) 352-1446.

MARYLAND ENERGY ASSISTANCE PROGRAM (MEAP)

MEAP provides assistance with home heating bills. Limited assistance is available to replace broken or inefficient refrigerators and furnaces.

ELECTRIC UNIVERSAL SERVICE PROGRAM (EUSP)

EUSP is a state program to assist low-income customers with their electric bills. Assistance may be available whether you are an active customer or you are currently without service. Eligible customers may receive help to pay their current bills, help to pay past due balances, and help with energy efficiency measures to reduce future bills.

UTILITY SERVICE PROTECTION PLAN

Customers who are eligible for assistance from MEAP may also be eligible for participation in Delmarva Power's Utility Service Protection Plan (USPP), a program to help customers avoid disconnection from November through March. Copies of the USPP pamphlet are available by contacting Customer Care.

Disconnect/Reconnect Policy PERMISSIBLE GROUNDS FOR SERVICE DISCONNECTION

Electrical service may be denied, disconnected or interrupted, for the following reasons:

DISCONNECTION WITHOUT PRIOR NOTICE

- Unavoidable emergencies, shortages or interruptions in the company's sources of supply.
- Whenever hazardous conditions are found on the customer's property.
- Interfering or tampering with meters or company equipment, or theft of services.

DISCONNECTION WITH PRIOR NOTICE

- Non-payment of any bill for electric service that is greater than the amount of the customer's deposit, if applicable.
- Misrepresentation of identity to avoid payment of an outstanding bill.

CUSTOMER DEPOSITS

The company may require a customer or prospective customer to pay a deposit or establish satisfactory credit. If a deposit is required, it will be 2/12ths of the estimated annual bill.

Deposits earn interest at a rate established annually by the Maryland Public Service Commission.

Other deposit arrangements are made in cases involving short-term or special service conditions. A residential deposit can be deferred, at the customer's request, to the first month's bill, or it may be paid in up to three installments. Customers over the age of 60 may be exempt for a deposit on new service.

If a customer refuses to pay a deposit, service may be denied or terminated. Deposits may not be applied against overdue bills. A copy of the residential deposit rules as adopted by the Maryland Public Service Commission is available upon request.

THIRD PARTY NOTIFICATION

A residential customer may request that another person receive any notification that their service might be disconnected. The friend, neighbor, relative, or social agency is not responsible for paying the bill, but can make sure the customer is aware of any important notices. Third Party Notification is especially useful for customers who might be out of town for extended periods, for customers with physical disabilities, for the elderly, and for customers who might find language a barrier.

SERVICE RELIABILITY

Delmarva Power retains information on service reliability factors - System Average Interruption Duration Index, System Average Interruption Frequency Index, and Customer Average

Interruption Duration Index. If you would like information and statistics about service reliability, contact Customer Care.

CUSTOMERS WITH SPECIAL NEEDS

If you or any member of your household is elderly, handicapped, seriously ill, relies on emergency medical equipment, or has any existing condition for which a termination of service would be a threat to life, health, or safety, please contact Customer Care at (800) 375-7117 so we can note your special needs. We will require proof of age or a doctor's certification for medical conditions.

Hearing impaired customers may call our toll-free TTY-TDD telephone line, (800) 822-1200.

MARYLAND PUBLIC SERVICE COMMISSION

If a customer questions a bill, believes a termination notice has been sent improperly, or believes that service has been interrupted improperly, he or she should call Customer Care at (800) 375-7117 so we may begin an immediate investigation and report our findings.

If the customer disagrees with our findings, he or she may contact the Office of External Relations and Public Affairs, Maryland Public Service Commission at the address and phone numbers listed below:

Office of External Relations and Public Affairs
Public Service Commission of Maryland
6 St. Paul Street
Baltimore, MD 21202

(410) 767-8028
(800) 492-0474
TDD: (800) 735-2258

Business hours: 8 a.m. to 5 p.m.,
Monday – Friday, except holidays.

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Payment Coupon – Return this portion with your payment

1. The address where we send your bill
2. The total amount due and the date the payment is due

Electric Delivery Summary – A snapshot of your payments and charges

3. The account number should be used when calling or writing to us
4. The address where you receive service
5. The billing period is the timeframe for which you are being billed
6. The address, business, and emergency phone numbers to use when contacting Customer Care
7. A summary of the payments received and the total amount now due

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8. The mailing address, service address, and account number are all listed again for easy reference

Electric Meter Information

9. Shows the amount of electricity you used and the meter reading information
10. The approximate date of your next meter reading

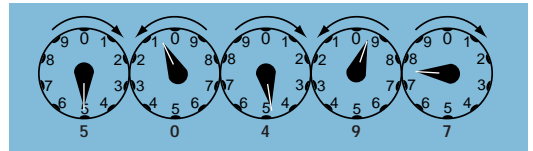
Electric Delivery Charges

11. The number of days included on your bill, which seasonal rate is in effect, and the rate schedule on which you are billed
12. The price to compare to supplier offers to determine if you may attain savings under Electric Choice

13. Your detailed electric charges for the month. For descriptions of each line item, see Definitions, page 16

Your Electric Energy Comparison – A tool to help you manage your energy use

14. The average temperature for this month and for the same month last year and the average daily amount of electricity usage in kilowatt hours
15. A chart of your monthly usage for the past year



HOW TO READ YOUR METER

Starting from the left, look at the hands on each dial and write down the last number passed by the hand. If the hand is between two numbers, always write down the smaller one. The reading for the illustration below is 50497. To find the amount of energy used between two readings, subtract the first reading from the second.

Note: Some meters have digital displays.

