

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
DELMARVA POWER & LIGHT COMPANY, EXELON)
CORPORATION, PEPCO HOLDINGS, INC.,)
PURPLE ACQUISITION CORPORATION, EXELON)
ENERGY DELIVERY COMPANY, LLC AND) PSC DOCKET NO. 14-193
NEW SPECIAL PURPOSE ENTITY FOR)
APPROVALS UNDER THE PROVISIONS OF)
26 DEL. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

ORDER NO. 9221

AND NOW, to-wit, this 22nd day of May, 2018;

WHEREAS, on December 11, 2017, Delmarva Power & Light Company ("Delmarva" or the "Company") filed an application (the "Application") pursuant to the requirements of Paragraph 17 of PSC Order No. 8746 ("the Amended Settlement Agreement") and Paragraph 2 b of Order No. 8970 (the "Most Favored Nation Provision") in PSC Docket No. 14-193; and

WHEREAS, Delmarva asked the Delaware Energy Efficiency Advisory Council ("EEAC") to develop and recommend a plan to distribute the \$4 million for the benefit of Delmarva's low income customers consistent with the terms and conditions of the Amended Settlement Agreement and the Most Favored Nation provision thereof, which then could be provided to the Commission for their approval; and

WHEREAS, the EEAC established the Low-Income Advisory Committee ("LI Advisory Committee" or the "Committee") in May 2016 made up of various stakeholders representing "community-based non-profit organizations, faith-based organizations, social service agencies, municipalities, the Delaware Sustainable Energy Utility, Delaware utility companies, the Division of the Public Advocate ("DPA"), Division

of Energy and Climate ("E&C") of the Delaware Department of Natural Resources and Environmental Control, EEAC consultants and members of the EEAC"¹. After a year-long public process (June 2016 - June 2017) the Committee brought the low-income distribution plan ("LI Distribution Plan") before the EEAC; and

WHEREAS, on June 14, 2017, the EEAC unanimously approved the Committee's recommendations;² and

WHEREAS, on April 4, 2018, the EEAC unanimously recognized that the Commission's orders pertaining to the \$4 million merger settlement funds ("Funds") reference low-income energy efficiency programs, and so unanimously approved the Committee's distribution process or LI Distribution Plan for the merger settlement funds with the clear intent that the process will result in new low-income energy efficiency programs; and

WHEREAS, as stated in the filing or in the EEAC meeting minutes a description of the LI Distribution Plan includes:

- a. Delmarva will manage the Request for Proposal ("RFP") process³ for a foundation/ charitable money manager ("Manager") with the experience to create a competitive grant making process and

¹ The Delaware Energy Efficiency Advisory Council's Low-Income Settlement Funds Distribution Plan Recommendation to the Delaware Public Service Commission, pg. 2.

² Delaware Energy Efficiency Advisory Council Meeting, June 14, 2017, Meeting Minutes.

³ Delmarva stated at the April 4, 2018 EEAC meeting that they would conduct the RFP for the Manager and contract with the chosen Manager and disburse funds, see April 4, 2018 EEAC Meeting Minutes.

conduct fund raising for additional low-income energy efficiency funds;

- b. A Grant Application Review Committee(s) will be formed from members of the LI Advisory Committee and may include representatives from the DPA and Delaware Public Service Commission Staff ("Staff"). The Grant Application Review Committee will first select the Manager and then work with the Manager in the selection of the large-scale and small-scale community-based low-income EE programs through a RFP process;
- c. The Manager will work with the Grant Application Review Committee and receive direct guidance from the LI Advisory Committee and the EEAC for distributing the low-income settlement funds;
- d. A portion of the \$4 million merger settlement funds would be made available at select intervals and distributed to entities that serve low-income households by delivering energy efficiency programs and services on both a large-scale level (i.e. statewide) and a small scale/community-based level or specific geographic area;
- e. The Manager will establish an energy efficiency EM&V process that tracks and monitors the energy efficiency performance of all grantee projects;
- f. The large-scale grantees will be required to hire an EEAC recommended third-party EM&V evaluator and abide by the EEAC approved EM&V rules;
- g. The Manager will be responsible for all tracking and reporting of performance of all the grantees and will ensure that all grantees have acceptable data collection and data storage systems that can be applied to the Delaware statewide database;
- h. The Manager will provide an annual report to the EEAC on the Fund and program progress and performance; and

WHEREAS, the parties agree that if at any point in the process the DPA, Staff or any other party believes that the grant process will

not result or is not resulting in low-income energy efficiency programs:
(1) that party will appeal to the EEAC; (2) if the EEAC does not agree,
the party will appeal to the Commission in the form of a timely petition;
(3) the Commission will decide whether the resulting process/program
meets the criteria as detailed in the RFP or Commission orders, and if
not, the Commission will order the process/program to be amended; and

WHEREAS, the parties agree that after the Manager presents an
annual report to the EEAC on the Fund and program progress and
performance, the Manager or a designee will present to the Commission a
summary of the annual report, including but not limited to the monies
distributed, the low-income EE programs implemented, any accounting of
additional low-income EE funds raised and the actual achievements against
the performance goals of the programs until the \$4 million is spent or
five years has lapsed, whichever comes first; and

WHEREAS, the Commission Staff has reviewed and examined the
proposed LI Distribution Plan and does not oppose it, but recommends the
Commission allow an appeal process as outlined above and the reporting
process as outlined above;

**NOW, THEREFORE, IT IS ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER
THAN THREE COMMISSIONERS:**

1. That the Commission, having independently reviewed this
matter, determines and finds that Delmarva Power & Light Company's

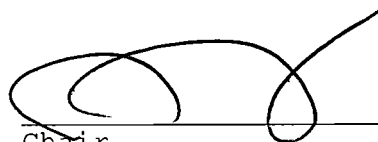
Proposed Low-Income Distribution Plan as submitted December 11, 2017 to the Commission in this docket, is hereby approved.

2. That if at any point in the process the DPA, Staff or any other party believes that the grant process will not result or is not resulting in low-income energy efficiency programs: that party will appeal to the EEAC; (2) if the EEAC does not agree, the party will appeal to the Commission in the form of a timely petition; (3) the Commission will decide whether the resulting process/program meets the criteria as detailed in the RFP or Commission orders, and if not, the Commission will order the process/program to be amended.

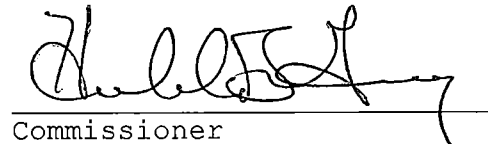
3. That after the Manager provides an annual report to the EEAC on the Fund and program progress and performance, the Manager or a designee will present to the Commission a summary of the annual report, including but not limited to the monies distributed, the low-income EE programs implemented, any accounting of additional low-income EE funds raised and the actual achievements against the performance goals of the programs until the \$4 million is spent or five years has lapsed, whichever comes first.


4. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:


Chair

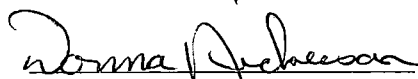

Commissioner


Commissioner


Commissioner


Commissioner

ATTEST:


Secretary

