

**A REGULAR MEETING
OF
THE PUBLIC SERVICE COMMISSION**

1. A Regular Meeting was called to order by Chair Dallas Winslow in the Hearing Room, 861 Silver Lake Boulevard, Dover, Delaware, on Tuesday, March 28, 2017, at 1:00 p.m. with the following Commissioners in attendance: Joann Conaway, Manubhai “Mike” C. Karia, Harold Gray, and Kim Drexler.

The following Staff members were in attendance: Robert Howatt, Matthew Hartigan, Patty Davis, Deputy Attorney General, Robert Willard, Deputy Attorney General, James McC. Geddes, Esquire, Joshua Bowman, John Farber, Elaine Cinque, and Donna Nickerson.

2. Commissioner Conaway moved to approve meeting minutes from the February 23, 2017 Commission meeting; this motion was seconded by Commissioner Drexler; the motion carried unanimously.
3. CONSENT AGENDA ITEMS:

A motion was made by Commissioner Karia to adopt the following Consent Agenda items:

IN THE MATTER OF THE APPLICATION OF DELMARVA POWER AND LIGHT COMPANY FOR APPROVAL OF QUALIFIED FUEL CELL PROVIDER PROJECT TARIFFS (FILED FEBRUARY 27, 2017) – PSC DOCKET NO. 17-0091

Commission to consider Staff Memorandum and proposed Order No. 9034.

IN THE MATTER OF THE APPLICATION OF NAUP BROKERAGE, LLC FOR AN CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (FILED DECEMBER 14,2016)- PSC DOCKET NO. 16-1142

Commission to consider Staff Memorandum and proposed Order No. 9036.

The motion was seconded by Commissioner Gray; the motion carried unanimously.

4. REGULAR AGENDA ITEMS:

IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICE PURSUANT TO 26 *DEL. C.* §203 C. (“CATHOLIC DIOCESE”)(FILED OCTOBER 12, 2016 – PSC DOCKET NO. 16-0989)

Robert Willard, Esquire, and Joshua Bowman on behalf of Staff.

Scott Stephan appeared on behalf of Artesian Water Company, Inc.

A motion was made by Commissioner Conaway and seconded by Commissioner Drexler to adopt Order No. 9035; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE FORMAL COMPLAINT OF EMBLEM ASSOCIATES, LLC AGAINST ARTESIAN WATER COMPANY, INC. REGARDING A CONTRIBUTION-IN-AID-OF-CONSTRUCTION (CIAC) DISPUTE (FILED JANUARY 6, 2016) – PSC DOCKET NO. 16-0008

Patty Davis, Esquire, and Toni Loper on behalf of Staff.

Karl Randall, Esquire, appeared on behalf of Artesian Water Company, Inc.

Lindsay Orr, Esquire, Drinker Biddle, appeared on behalf of Emblem Associates, LLC.

A motion was made by Commissioner Gray and seconded by Commissioner Karia to adopt Order No. 9038; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE PETITION OF ARTESIAN WATER COMPANY, INC.
FOR AUTHORITY TO ESTABLISH A REGULATORY ASSET (FILED OCTOBER
20, 2016) – PSC DOCKET NO. 16-1001

Patty Davis, Esquire, appeared on behalf of Staff.

Karl Randall, Esquire, appeared on behalf of Artesian Water Company, Inc.

Regina Iorii, Esquire, and Andrea Maucher appeared on behalf of the Division of the Public Advocate. **NOTE: Andrew Slater appeared via phone but did not participate in meeting.**

A motion was made by Commissioner Karia and seconded by Commissioner Conaway to adopt Order No. 9039; motion carried unanimously.

A verbatim transcript was made of this proceeding.

IN THE MATTER OF THE APPLICATION OF DELMARVA POWER & LIGHT
COMPANY FOR AN INCREASE IN ELECTRIC BASE RATES AND
MISCELLANEOUS TARIFF CHANGES (FILED MAY 17, 2016) – PSC DOCKET
NO. 16-0649

James McC. Geddes, Esquire, and Joshua Bowman appeared on behalf of Staff.

Todd Goodman, Esquire, and R. J. Scaggs, Morris, Nichols, Arsht & Tunnell LLP, appeared on behalf of Delmarva Power & Light Company.

Regina Iorii, Esquire, and Andrea Maucher appeared on behalf of the Division of the Public Advocate. **NOTE: Andrew Slater appeared via phone but did not participate in meeting.**

A motion was made by Chair Winslow and seconded by Commissioner Gray to deny Staff's Interlocutory Appeal on Order No. 9033; motion carried unanimously.

A verbatim transcript was made of this proceeding.

Before the meeting continued to Director's Comments, Chair Winslow thanked Ashley Lyon and Heather Contant for all their hard work at the Commission and wished them well on their future endeavors.

5. DIRECTOR'S COMMENTS:

Mr. Howatt introduced John Farber who updated the Commission on current events and the status of the PJM Artificial Island Project.

Mr. Farber also presented to the Commission for approval of letter stating Staff's comments that are due March 31, 2017 to the PJM board regarding lifting suspension of the Artificial Island Project.

A motion was made by Commissioner Gray and seconded by Commissioner Conaway to approve Staff's letter regarding cost allocations; motion carried unanimously.

A verbatim transcript was made of this proceeding.

Mr. Howatt introduced Matthew Hartigan who updated the Commission on FERC Docket No. EL16-6, Financial Transmission Rights and possible appeal of 158 FERC ¶ 61,093.

A motion was made by Commissioner Conaway and seconded by Commissioner Karia to enter into Executive Session for the purpose of a strategy session with respect to potential litigation. This information is not a matter of public record as defined in 29 *Del. c.* §10002(1) (9); the motion carried unanimously.

A motion was made by Commissioner Gray and seconded by Commissioner Drexler to exit out of Executive Session; the motion carried unanimously.

Upon returning from Executive Session a motion was made by Commissioner Drexler and seconded by Commissioner Karia to support litigation as proposed; the motion carried unanimously.

A verbatim transcript was made of this proceeding.

Mr. Howatt discussed with the Commission NARUC's Resolution encouraging State Commissioners to consider changing the regulatory accounting treatment of "Cloud Computing" arrangements.

Mr. Howatt informed the Commission that Miss Utility declared April as Safe Dig month.

Mr. Howatt also informed the Commission that the week of March 20th through March 24th was declared Fix-a-Leak week and Commissioner Conaway noted the Governor's proclamation.

Mr. Howatt announced that there will be Evidentiary Hearings for Docket No. 16-0650, Delmarva Power & Light Company's Natural Gas Base Rate case on April; 5, 2017 starting at 10:00 A.M.; April 6, 2017 starting at 9:00 A.M.; and April 7, 2017 starting at 9:00 A.M., at the Carvel State Office Bldg., 3rd Floor Conference Room, Wilmington, DE.

Mr. Howatt also announced that at the next Commission on Thursday, April 6, 2017, at 1:00 P.M., in the Dover office there would be a Public Hearing regarding PSC Regulation Docket No. 56.

There was no further business and the meeting adjourned approximately at 2:57 P.M.

Respectfully submitted,

/s/ Donna Nickerson

Secretary