



# Updated Avoided Costs

January 17, 2022



# Gas Avoided Costs

- Gas avoided costs primarily based on gas utilities' gas service rate (GSR) or gas commodity rate (GCR)
- These rates represents the avoidable marginal cost of supplying gas to customers
  - Includes the variable costs of gas transportation from the pipeline take-off point
- Future years' GSR/GCR based on projections for changes in gas prices in the Mid-Atlantic region developed by the Energy Information Administration (EIA)
- Use avoided costs for each utility, due to differences in gas supply costs and relative simplicity of splitting the territory areas
- Gas avoided costs originally based on 2021-2022 GSR/GCR filings; Updated to reflect 2022-2023 GSR/GCR filings



# Gas Avoided Costs

Based on 2021-2022 Filings

Avoided Natural Gas (all usage)		
	Chesapeake	DPL
Year	(\$ / MMBtu)	(\$ / MMBtu)
2023	\$8.69	\$5.82
2024	\$8.27	\$5.54
2025	\$8.01	\$5.36
2026	\$7.82	\$5.23
2027	\$7.70	\$5.15
2028	\$7.70	\$5.15
2029	\$7.77	\$5.20
2030	\$7.82	\$5.23
2031	\$7.85	\$5.25
2032	\$7.82	\$5.23
2033	\$7.92	\$5.30
2034	\$7.93	\$5.31
2035	\$7.82	\$5.24
2036	\$7.78	\$5.21
2037	\$7.81	\$5.23
2038	\$7.80	\$5.22
2039	\$7.82	\$5.23
2040	\$7.79	\$5.21
2041	\$7.73	\$5.17
2042	\$7.70	\$5.15
2043	\$7.67	\$5.13

Based on 2022-2023 Filings

Avoided Natural Gas (all usage)		
	Chesapeake	DPL
Year	(\$ / MMBtu)	(\$ / MMBtu)
2023	\$10.94	\$8.70
2024	\$10.42	\$8.28
2025	\$10.09	\$8.01
2026	\$9.84	\$7.82
2027	\$9.69	\$7.70
2028	\$9.70	\$7.71
2029	\$9.79	\$7.78
2030	\$9.85	\$7.83
2031	\$9.88	\$7.85
2032	\$9.85	\$7.82
2033	\$9.97	\$7.92
2034	\$9.98	\$7.93
2035	\$9.84	\$7.82
2036	\$9.79	\$7.78
2037	\$9.84	\$7.82
2038	\$9.83	\$7.81
2039	\$9.85	\$7.82
2040	\$9.81	\$7.80
2041	\$9.74	\$7.74
2042	\$9.70	\$7.71
2043	\$9.66	\$7.68



**Thank you! Questions?**

