



SPONSOR: Sen. McDowell & Sen. Simpson & Rep. Paradee  
Sens. Bonini, Bushweller, Cloutier, Hansen, Henry,  
Lavelle, McBride, Pettyjohn, Poore, Sokola, Townsend;  
Reps. Baumbach, Bennett, Bentz, Bolden, Brady,  
Briggs King, Carson, Collins, Dukes, Heffernan, Hensley,  
Hudson, Jaques, J. Johnson, Q. Johnson, Keeley, Kenton,  
Kowalko, Longhurst, Matthews, Miro, Mitchell,  
Mulrooney, Osienski, Outten, Postles, Potter, Ramone,  
Schwartzkopf, B. Short, D. Short, M. Smith, Smyk,  
Spiegelman, Viola, K. Williams, Wilson, Yearick

DELAWARE STATE SENATE  
149th GENERAL ASSEMBLY

SENATE JOINT RESOLUTION NO. 1

OPPOSING THE ARTIFICIAL ISLAND PROJECT COST ALLOCATION AND URGING PJM TO JOIN DELAWARE  
AND OTHER PARTIES CONTESTING THE COST ALLOCATION IN PROCEEDINGS CURRENTLY PENDING  
BEFORE FEDERAL ENERGY REGULATORY COMMISSION.

1 WHEREAS, PJM Interconnection ("PJM") is the regional transmission organization that coordinates the  
2 movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New  
3 Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia; and

4 WHEREAS, PJM has identified the need for a new transmission line across the Delaware River connecting  
5 Artificial Island to Delaware with the goal of improving reliability throughout PJM's region; and

6 WHEREAS, the Artificial Island project is being developed to address reliability and stability issues at the Salem  
7 and Hope Creek nuclear power facilities, not to address supply deficiencies within the Delmarva Peninsula; and

8 WHEREAS, the estimated total cost of the project is \$280 million; and

9 WHEREAS, a recent ruling by the U.S. Federal Energy Regulatory Commission ("FERC") requires Delaware, and  
10 other residential and commercial customers on the Delmarva Peninsula, to pay for the overwhelming majority of the costs  
11 of this project despite receiving only a small portion of the benefits it creates; and

12 WHEREAS, the majority of the load savings of this project are allocated regionally outside the Delmarva Zone;  
13 and

14 WHEREAS, Delaware's Congressional delegation, the Delaware and Maryland Public Service Commissions, the  
15 Delaware Office of the Public Advocate, the Maryland Office of the People's Counsel, Old Dominion Electric Cooperative,  
16 LS Power, and other stakeholders have challenged the current cost allocation for the Artificial Island project in proceedings  
17 pending before the FERC in Docket No. EL15-95-000; and

18 WHEREAS, the FERC decided in an April 22, 2016 order not to modify the cost allocation formula for the  
19 project, despite evidence presented by the Delaware Public Service Commission ("PSC") showing that the formula places  
20 an undue burden on Delaware consumers and businesses; and

21 WHEREAS, the Delaware and Maryland Public Service Commissions, the Delaware Office of the Public  
22 Advocate, the Maryland Office of the People's Counsel, Old Dominion Electric Cooperative, LS Power, and other  
23 stakeholders have filed requests for rehearing, which FERC granted on June 21, 2016; and

24 WHEREAS, under this formula as it stands, the average residential customer in Delaware would be forced to pay  
25 an additional \$2 to \$4 on their monthly electric bills; and

26 NOW, THEREFORE:

27 BE IT RESOLVED by the Senate and the House of Representatives of the 149th General Assembly of the State of  
28 Delaware, with the approval of the Governor, that the State of Delaware opposes the cost allocation of the Artificial Island  
29 project as unfair and unduly burdensome to the residential and commercial end users of our State.

30 BE IT FURTHER RESOLVED by the Senate and the House of Representatives of the 149th General Assembly of  
31 the State of Delaware, with the approval of the Governor, that the State of Delaware urges PJM to join Delaware and other  
32 stakeholders in contesting the current cost allocation for the Artificial Island project in the proceedings already pending  
33 before FERC in Docket No. EL15-95-000.

34 BE IT FURTHER RESOLVED that suitable copies of this resolution be sent to PSC, the Public Advocate, FERC,  
35 and PJM.

#### SYNOPSIS

This Joint Resolution opposes the cost allocation of the Artificial Island Transmission Project as unfair and unduly burdensome to the ratepayers of Delaware and urges PJM to join with Delaware in contesting the cost allocation in the proceedings pending before FERC.

Author: Senator McDowell