SPONSOR: Sen. McDowell & Rep. Paradee
Sen. Lopez; Reps. Heffernan, Kowalko

DELAWARE STATE SENATE
149th GENERAL ASSEMBLY

SENATE BILL NO. 191
AS AMENDED BY
SENATE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO PUBLIC UTILITIES AND DELMARVA POWER & LIGHT COMPANY'S INTEGRATED RESOURCE PLANNING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 10, Title 26 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1007 Standard offer service and returning customer service supplier obligation.

(a) All electric distribution companies subject to the jurisdiction of the Commission shall be the standard offer service supplier and returning customer service supplier in their distribution service territories. Customers on returning customer service may return to standard offer service after receiving returning customer service for a minimum of 12 consecutive months.

(b) Subject to the approval of the Commission, the standard offer service provider to meet its electric supply requirements shall have the ability to:

(1) Enter into short- and long-term contracts for the procurement of power necessary to serve its customers;

(2) Own and operate facilities for the generation of electric power;

(3) Build generation and transmission facilities (subject to any other requirements in any other section of the Delaware Code regarding siting, etc.);

(4) Make investments in demand-side resources; and

(5) Take any other Commission-approved action to diversify their retail load.

In order to take such action, DP&L as a standard offer service supplier must file an application with the Commission or have had such action approved as part of its integrated resource plan pursuant to subsection (c) of this section. If DP&L as a standard offer service supplier files an application under this subsection, then the Commission shall hold an evidentiary hearing on DP&L's request and shall approve the request if the Commission finds that such action is in the public interest. If the Commission approves such a request, the Commission shall review all reasonable incurred costs of the contracts, facilities or programs in accordance with subchapter III of Chapter 1 of this title. Costs from these projects which have been approved by the Commission shall be included in standard offer service rates.

SD : FM : CBK : 4761490158
LC : HVW : JDW : 5081490170
Released: 07/01/2018 07:03 AM

(c)(1) DP&L is required to conduct integrated resource planning. On December 1, 2006, and on the anniversary date of the first filing date of every other year thereafter (i.e., 2008, 2010 et seq.), DP&L shall file with the Commission, the Controller General, the Director of the Office of Management and Budget and the Energy Office an integrated resource plan ("IRP"). After the filing of DP&L's December 2016 IRP, an IRP filing shall be made when DP&L elects to change its source of supply pursuant to subsection (b)2-5 of this section or as the Commission may otherwise direct. In its IRP, DP&L shall systematically evaluate all available supply options during a 10-year planning period in order to acquire sufficient, efficient and reliable resources over time to meet its customers' needs at a minimal cost. The IRP shall set forth DP&L's supply and demand forecast for the next 10-year period, and shall set forth the resource mix with which DP&L proposes to meet its supply obligations for that 10-year period (i.e., demand-side management programs, long-term purchased power contracts, short-term purchased power contracts, self generation, procurement through wholesale market by RFP, spot market purchases, etc.).

a. As part of its IRP process, DP&L shall not rely exclusively on any particular resource or purchase procurement process. In its IRP, DP&L shall explore in detail all reasonable short- and long-term procurement or demand-side management strategies, even if a particular strategy is ultimately not recommended by the company. At least 30 percent of the resource mix of DP&L shall be purchases made through the regional wholesale market via a bid procurement or auction process held by DP&L. Such process shall be overseen by the Commission subject to the procurement process approved in PSC Docket #04-391 as may be modified by future Commission action.

b. In developing the IRP, DP&L may consider the economic and environmental value of:

1. Resources that utilize new or innovative baseload technologies (such as coal gasification);
2. Resources that provide short- or long-term environmental benefits to the citizens of this State (such as renewable resources like wind and solar power);
3. Facilities that have existing fuel and transmission infrastructure;
4. Facilities that utilize existing brownfield or industrial sites;
5. Resources that promote fuel diversity;
6. Resources or facilities that support or improve reliability; or
7. Resources that encourage price stability.

The IRP must investigate all potential opportunities for a more diverse supply at the lowest reasonable cost.

SD : FM : CBK : 4761490158
LC : HVW : JDW : 5081490170
Released: 07/01/2018 07:03 AM