

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF )  
DELMARVA POWER & LIGHT COMPANY )  
FOR APPROVAL OF QUALIFIED FUEL ) PSC Docket No. 11-362  
CELL PROVIDER PROJECT TARIFFS )  
(FILED AUGUST 19, 2011) )

ORDER NO. 8062

**WHEREAS**, on July 7, 2011, the Governor of the State of Delaware signed into law Amendments (the "Amendments") to the Renewable Energy Portfolio Standards Act (the "REPSA") that add Delaware-manufactured fuel cells to the REPSA and allow energy output from such fuel cells to be considered a resource eligible to fulfill a portion of a Delaware Public Service Commission-regulated electric utility's renewable energy credit requirements under REPSA; and

**WHEREAS**, the Amendments are part of a comprehensive State economic development and renewable energy program in which a new form of base load generation will be added in Delaware; and

**WHEREAS**, the Amendments create a regulatory framework whereby the Commission-regulated electric company and the Qualified Fuel Cell Provider will jointly submit tariffs that enable and obligate the Commission-regulated electric company, as the agent for collection and disbursement, to collect from its customers non-bypassable charges for incremental site preparation, filing, administrative and other costs

incurred by the Qualified Fuel Cell Provider ("QFCPP");<sup>1</sup> and

**WHEREAS**, in accordance with the Amendments, we are directed to either approve or reject all tariff filings as proposed; we may not alter the proposed tariff or impose any condition(s) on the tariff; and

**WHEREAS**, in determining whether to approve or deny the tariffs, we must ensure that the tariffs meet the requirements set forth in the Amendments and, in addition, we must consider the QFCPP's incremental cost to customers, applying at least the following factors:

Whether the QFCPP utilizes innovative base load technologies (*id.* §364(d) (2)a.);

Whether the QFCPP offers environmental benefits relative to conventional base load generation technologies (*id.* §364(d) (2)b.);

Whether the QFCPP promotes economic development in the State (*id.* §364(d) (2)c.); and

Whether the tariff as filed promotes price stability over the project term (*id.* §364 (d) (2)d.); and

**WHEREAS**, on August 19, 2011, Delmarva Power & Light Company ("Delmarva") filed an application for approval of a new electric tariff - Service Classification QFCP-RC and a new gas tariff -

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<sup>1</sup>The requirements for the tariffs are set forth in the Commission's prior order in this docket, Order No. 8025, dated September 6, 2011. See also, 26 Del. C. §§364(b), (d).

Service Classification LVG-QFCP-RC (the "Application"), which will apply to a planned QFCPP that will use fuel cells manufactured by Bloom Energy Corporation ("Bloom"); and

**WHEREAS**, on September 6, 2011, we opened this docket to consider Delmarva's Application and established an expedited proceeding to bring the matter before us for hearing and deliberations during our regularly-scheduled meeting on October 18, 2011; and

**WHEREAS**, on October 18, 2011, we conducted a public evidentiary hearing on the Application and, based on the evidence presented and comments submitted, determined to approve the Application;

**Now, therefore**, this 18th day of October, 2011, **IT IS ORDERED**:

1. That the Commission approves the tariff filing contained in Delmarva's Application.
2. That the Commission will enter a formal Findings and Opinion in support of this Order at a later date.
3. 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:

/s/ Arnetta McRae  
Chair

/s/ Joann T. Conaway  
Commissioner

/s/ Jaymes B. Lester  
Commissioner

/s/ Dallas Winslow  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

ATTEST:

/s/ Alisa Carrow Bentley  
Secretary