delmarva power

A PHI Company

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March 18, 2014

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VIAHAND DELIVERY
Alisa Bentley, Secretary
Delaware Public Service Commission
Cannon Building, Suite 100
861 Silver Lake Boulevard
Dover, DE 19904

Re: Docket No. 13-115 – Delmarva Power & Light Company's
Brief on Exceptions to the Hearing Examiner's Report

Dear Secretary Bentley:

Enclosed please an original and ten (10) copies of pages 22 and 23 of Delmarva Power & Light Company's Brief on Exceptions to the Hearing Examiner's Report being submitted in the above-referenced docket. Please replace these pages in your original and copies. Due to a clerical error the pages submitted for filing were black and white.

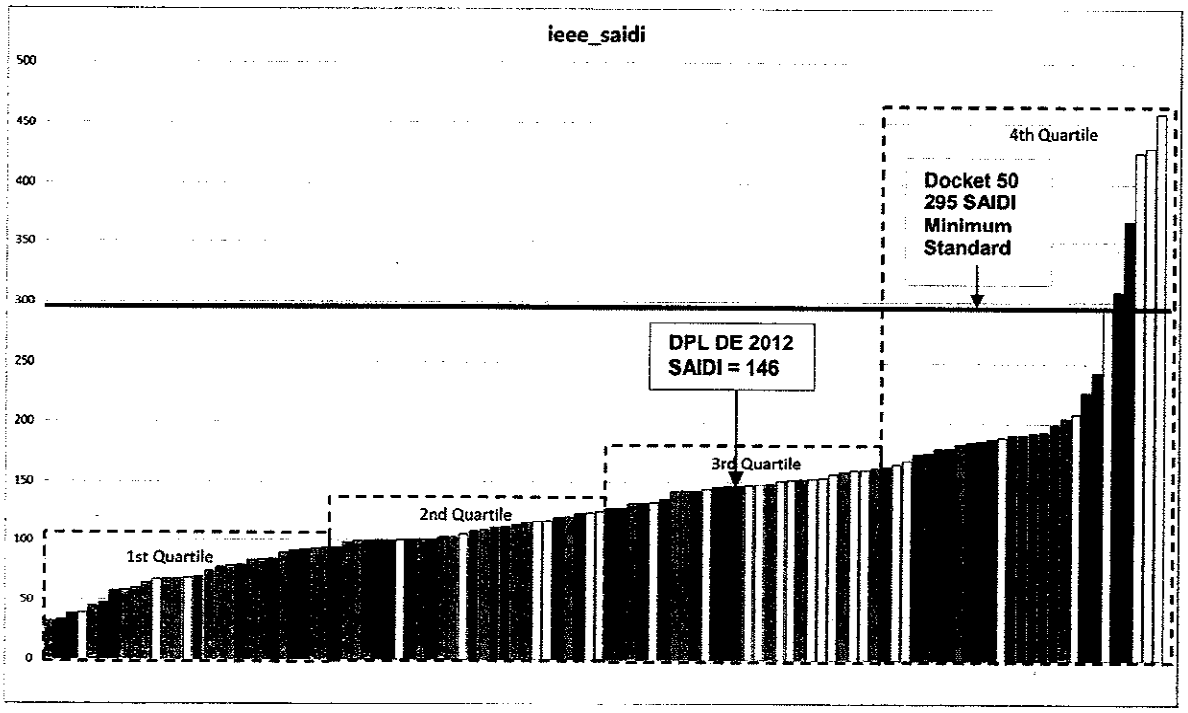
Should you have any questions or require any additional information, please do not hesitate to contact me.

Very truly yours,

Pamela J. Scott

Enclosures

Table 1: Delmarva's SAIDI Ranking on 2012 IEEE Annual Reliability Survey

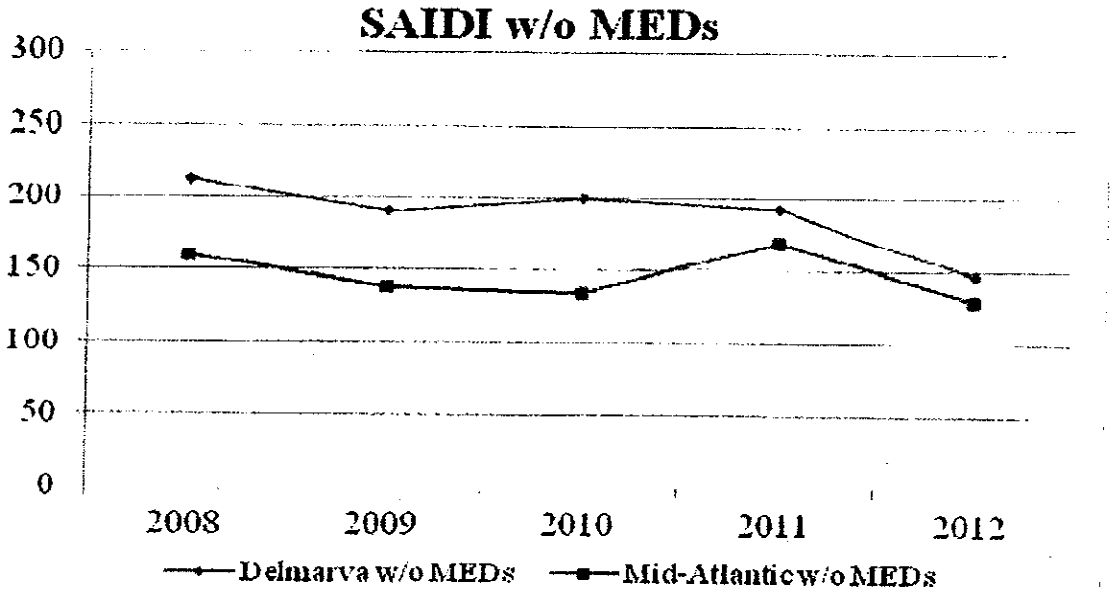


Moreover, it is clear that Delmarva's increased investments in reliability have, in fact, resulted in improved reliability for its customers. Staff Witness Vavro has stated as much and the plain facts establishing the improved performance are indisputable.[68] In 2010 and 2011, before Delmarva's increased investments in reliability began, Delmarva's SAIDI performance was 199 and 192 minutes, respectively.[69] In 2012, after Delmarva began to increase investments in reliability infrastructure, Delmarva's SAIDI performance improved to 146 minutes.[70] As the above IEEE survey chart depicts, had Delmarva not increased its reliability investments and, therefore, its SAIDI remained in the 192-199 minute range in 2012, Delmarva's current reliability performance would be among the worst performing utilities in the IEEE national

[68] Exh. 12: Vavro Direct at 13:4-7; and Exh. 4: Maxwell Direct at 5:16-6:12. In her testimony, Staff's reliability witness, Stephanie Vavro, stated: "there has been a noticeable improvement in SAIDI performance since the REP reliability-related initiatives began. To be clear, we are not challenging the Company's selection of projects in its REP, or questioning whether those projects might have a positive effect." (Vavro Direct Testimony at 14:19-21)."
[69] Exh. 4: Maxwell Direct at 6:3-12.
[70] *Id.*

survey - in the middle of the worst (4th Quartile) performers.

Interestingly, during both the evidentiary hearings and in its post hearing brief submitted to Hearing Examiner Lawrence, Staff relied upon a chart prepared by Ms. Vavro of Silverpoint that compares Delmarva's SAIDI performance to other Mid-Atlantic utilities. Using that chart, Staff argued that "Delmarva's performance on a system basis is comparable with other utilities in the region."[71] Assuming that Ms. Vavro's Mid-Atlantic SAIDI performance chart is correct, it serves to further support the overwhelming evidence that Delmarva's decision to invest in reliability to maintain and improve its reliability performance was an appropriate decision (made in the exercise of "professional judgment" and without "waste, inefficiency or bad faith").



Staff's Mid-Atlantic SAIDI Chart[72]

[71] Staff's Opening Post-Hearing Brief to the Hearing Examiner at page 18.

[72] Staff's Mid-Atlantic SAIDI Chart Appears in Staff's Post Hearing Answering Brief to the Hearing Examiner at page 17 and is Hearing Exhibit 83. It has been reproduced and incorporated into Delmarva's Exceptions Brief for the convenience of the Commission.