



October 16, 2023

Via eTariff

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: *PJM Interconnection, L.L.C.; Delmarva Power & Light Company*
Docket No. ER22-2201-000
Settlement Agreement**

Dear Secretary Bose:

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. § 385.602 (2022), Delmarva Power & Light Company (“Delmarva”) submits for filing on behalf of the Settling Parties¹ in these proceedings an executed Settlement Agreement (“Settlement Agreement” or “Settlement”) and related documents that resolve, upon the Commission’s approval of this Settlement Agreement without condition or modification unacceptable to the Settling Parties, all issues in

¹ The Settling Parties are: Delmarva Power & Light Company, Delaware Municipal Electric Corporation, Inc., Maryland Office of People’s Counsel, Maryland Public Service Commission, and Old Dominion Electric Cooperative (each a “Settling Party” or “Party” and collectively, the “Settling Parties” or “Parties”).

Docket No. ER22-2201 and all sub-dockets thereto. The Settlement Agreement has been executed by or is not opposed by all parties to this proceeding.²

I. INFORMATION SUBMITTED WITH THIS FILING

This submission includes, along with this transmittal letter, the following documents in addition to the Tariff Records:³

- Explanatory Statement;
- Settlement Agreement;
- Clean Revised Tariff Attachment 12;
- Marked Revised Tariff Attachment 12;
- Informational Exhibit; and
- Certificate of Service.

II. COMMENTS

In accordance with Rule 602(f), 18 C.F.R. § 385.602(f), initial comments on the Settlement Agreement are due no later than 20 days from the date of this filing. Pursuant to Rule 602(f)(3), 18 C.F.R. § 385.602(f)(3), any failure to file a comment constitutes a waiver of all objections to the Settlement Agreement. Reply comments are due no later than 30 days from the date of this filing.

² Pursuant to Order No. 714, this filing is being submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of Delmarva as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Open Access Transmission Tariff (“OATT”). Thus, Delmarva has requested that PJM submit this filing in the eTariff system as part of PJM’s electronic Intra PJM OATT.

³ These tariff records are being submitted as pro forma tariff records, as attachments only.

III. SERVICE

Pursuant to Rules 602(d) and 2010 (18 C.F.R. §§ 385.602(d) and 385.2010 (2022)), the Settling Parties have served, either by paper or electronic service, the Settlement Agreement and all related documents listed above on all parties listed on the official service list compiled by the Secretary in this proceeding and on all other persons required to be served by operation of Rule 602(d).

In addition, PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,⁴ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link:

<https://www.pjm.com/library/filing-order.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region⁵ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

IV. REQUESTED RELIEF

The Settling Parties request that the Settlement be certified to the Commission for its approval, and that the Commission approve the Settlement Agreement without condition or

⁴ See 18 C.F.R §§ 35.2(e) and 385.2010(f)(3).

⁵ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

modification. In accordance with Section 3.1 of the Settlement Agreement, the Settlement Agreement will have an effective date of September 1, 2022 upon issuance of an order approving this Settlement Agreement without modification or condition, or if the Commission issues an order conditioning or modifying the Settlement Agreement, fifteen days after such order if no Settling Party gives notice of termination pursuant to Section 3.1 of the Settlement Agreement.

Thank you for your assistance in this matter.

Respectfully submitted,

/s/ Lisa B. Luftig
Lisa B. Luftig

Counsel for Delmarva Power & Light Company

cc: Hon. Stephanie Nagel
All Parties

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.
Delmarva Power & Light Company

Docket No. ER22-2201-000

EXPLANATORY STATEMENT

The Settling Parties in this proceeding submit this Explanatory Statement in support of the enclosed Settlement Agreement (“Settlement Agreement” or “Settlement”) that resolves Docket No. ER22-2201 and all sub-dockets thereto (the “Proceeding”). As set forth in the Settlement Agreement, the Settling Parties are Delmarva Power & Light Company (“Delmarva”), Delaware Municipal Electric Corporation, Inc. (“DEMEC”), Maryland Office of People’s Counsel (“MD-OPC”), Maryland Public Service Commission (“Maryland PSC”), and Old Dominion Electric Cooperative (“ODEC”) (each a “Settling Party” or “Party” and collectively the “Settling Parties” or “Parties”).¹

I. BACKGROUND

On June 27, 2022, pursuant to Section 205(d) of the Federal Power Act,² Delmarva submitted revisions to the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”), consisting of proposed revisions to the stated transmission depreciation rates contained in its formula transmission rate at Attachment H-3D of the PJM OATT to be effective

¹ This Explanatory Statement is provided solely to comply with Rule 602(c)(1)(ii) of the Commission’s Rules of Practice and Procedure and is not intended, and does not, alter any of the provisions of the Settlement Agreement or Formula Rate. In the event of any inconsistency between the Explanatory Statement and the Settlement Agreement or Formula Rate, the Settlement Agreement and Formula Rate shall control.

² 16 U.S.C. § 824d(d) (2012).

September 1, 2022 and reflected in the 2023 formula rate annual update period beginning June 1, 2023.

The Maryland PSC, MD-OPC, and DE DPA (collectively, State Agencies) filed a protest opposing Delmarva's June 27 Filing, and requested a hearing.

On August 31, 2022, the Commission issued an order on Delmarva's filing in which Delmarva's proposed revisions to the PJM OATT were accepted for filing, suspended for a nominal period, to become effective September 1, 2022, subject to refund, and set for hearing and settlement judge procedures.

On September 8, 2022, the Chief Administrative Law Judge designated Judge Nagel as the Settlement Judge.³ Judge Nagel convened multiple settlement conferences through which the Parties sought to settle their disputes. As a result of these efforts, the Settling Parties have reached an agreement on the terms and conditions of a settlement that would resolve all issues in this proceeding.

II. ITEMS INCLUDED IN THE SETTLEMENT PACKAGE

Along with this Explanatory Statement, the Settling Parties include the following items representing the complete settlement package:

1. Transmittal Letter;
2. Settlement Agreement;
3. Exhibit A, clean revised Attachment 12 to the PJM OATT Attachment H-3D (Formula Rate);

³ *PJM Interconnection, L.L.C.*, Order of Chief Judge Designating Settlement Judge, Docket No. ER22-2201-000 (Sept. 8, 2022).

4. Exhibit B, redline/strikeout showing the agreed upon changes to Attachment 12 to the PJM OATT Attachment H-3D (Formula Rate);
5. Exhibit C, informational exhibit describing settlement depreciation rates; and
6. Certificate of Service.

III. SUMMARY OF THE SETTLEMENT

The Settlement establishes the transmission plant depreciation rates to be included in Delmarva's Formula Rate, as well as the general plant and intangible asset depreciation rates, and resolves all disputes between the Parties regarding those depreciation rates. A summary of the provisions of the Settlement is included below.

The Preamble describes the Parties and the effect of the Settlement on Docket No. ER22-2201 and all sub-dockets thereto.

Section 1.1 provides the definitions applicable to the Settlement.

Section 2.1.1 identifies the tariff records filed as part of the Settlement, noting that Exhibits A and B include the agreed-upon changes to the Formula Rate in clean and redline/strikethrough format, respectively. Exhibit C, included for informational purposes, shows the portion of each plant account's depreciation rate that is attributable to service lives and the portion that is attributable to net salvage.

The changes to the Formula Rate shown in Exhibits A and B to the Settlement are to the Settlement depreciation rates set forth in Attachment 12 to the Formula Rate, which reflect the negotiated stated transmission depreciation rates.

Section 2.1.2 provides that Delmarva will include a note in Attachment 12 of the Formula Rate setting forth Delmarva's obligations with respect to Delmarva's future submission of revised transmission depreciation rates.

Section 2.1.3 provides that the Settlement resolves all issues set for hearing of the Parties generally and each individual Party related to or arising out of the issues in Docket No. ER22-2201 and all sub-dockets thereto, and further provides that the Settlement does not foreclose any Parties' rights with respect to issues not explicitly addressed in the Settlement Agreement.

Article III and its subparts address procedural aspects of the Settlement. Section 3.1 sets forth that upon Commission approval of the Settlement, the Settlement depreciation rates become effective as of September 1, 2022. This section also sets forth what constitutes Commission approval of the Settlement.

Section 3.2 provides that within thirty days after Commission approval of the Settlement, a compliance filing will be made by Delmarva in conjunction with PJM to submit the tariff records included in Exhibit A and Exhibit B of the Settlement to be effective on September 1, 2022. Additionally, this section provides that the Parties shall not oppose or protest a filing made by Delmarva in conformity with this Section 3.2.

Section 3.3 provides that Delmarva shall implement the depreciation rates included in the revised Formula Rate in the first Annual Update following FERC approval of the Settlement by a true up, with interest, of its rates and charges, for the period beginning September 1, 2022 and continuing through the date of such true up, using the depreciation rates included in the revised Formula Rate.

Sections 4.1 and 4.2 state that the Settlement constitutes the entire agreement among the Settling Parties and that the various provisions of the Settlement are not severable.

Sections 4.3, 4.4, and 4.5 state that the Settlement constitutes a negotiated agreement and shall be inadmissible as evidence in any proceeding except a proceeding to enforce the Settlement; that the settlement discussions among the Settling Parties are privileged and

confidential; and that each Settling Party shall cooperate with and not take any action inconsistent with the Settlement. Section 4.3 also states that the Settlement is inadmissible as evidence and does not constitute precedent. Section 4.6 discusses waiver requirements, and Sections 4.8 through 4.13 contain miscellaneous provisions regarding Settlement interpretation, successors and assigns, authorization, complete settlement, and notices. Section 4.14 states that nothing in the Settlement shall be construed as affecting Section 205 or Section 206 filing rights.

Section 4.7 discusses the standard of review to be applied for any proposed modification to the Settlement after it has become effective. Unless the Parties otherwise agree in writing, any modification to the Settlement Agreement proposed by one of the Parties after the Settlement Agreement has become effective in accordance with Section 3.1 shall, as between them, be subject to the “public interest” application of the just and reasonable standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the *Mobile-Sierra* doctrine), as clarified in *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish County, Washington*, 128 S.Ct. 2733, 171 L. Ed. 2d 607 (2008) and refined in *NRG Power Mktg. v. Maine Pub. Utils. Comm’n*, 130 S. Ct. 693, 700 (2010). The standard of review for any modifications to the Settlement Agreement requested by a non-Party or initiated by the Commission acting *sua sponte* will be the most stringent standard permissible under applicable law. See *NRG Power Mktg. v. Maine Pub. Utils. Comm’n*, 130 S. Ct. 693, 700 (2010). Any filings under FPA Section 205 or 206 to change the depreciation rates shall not be considered modifications of the Settlement Agreement.

IV. REQUIRED INFORMATION

In accordance with the Chief Administrative Law Judge's December 15, 2016 Amended Notice to the Public on Information to be Provided with Settlement Agreements and Guidance on the Role of Settlement Judges, the Settling Parties provide the following information:

A. Does the settlement affect other pending cases?

The Settlement by its terms shall have no effect on other cases currently pending before the Commission.

B. Does the settlement involve issues of first impression?

The Settlement does not involve issues of first impression.

C. Does the settlement depart from Commission precedent?

The Settlement does not depart from Commission precedent.

D. Does the settlement seek to impose a standard of review other than the ordinary just and reasonable standard with respect to any changes to the settlement that might be sought by either a third party or the Commission acting *sua sponte*?

Section 4.7 of the Settlement provides that the standard of review for any modifications to the Settlement requested by a non-Party or initiated by the Commission acting *sua sponte* will be the most stringent standard permissible under applicable law. *See NRG Power Mktg. v. Maine Pub. Utils. Comm'n*, 130 S. Ct. 693, 700 (2010).

V. CONCLUSION

For the foregoing reasons, the Settlement Agreement is in the public interest, and the Settling Parties respectfully request that the Commission approve it without condition or modification.

Respectfully submitted,

/s/ Lisa B. Luftig

Lisa B. Luftig

On Behalf of the Settling Parties

cc: Hon. Stephanie Nagel
All Parties

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PJM Interconnection, L.L.C.
Delmarva Power & Light Company

Docket No. ER22-2201-000

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Settlement”) is made pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. § 385.602 (2022), by and among Delmarva Power & Light Company (“Delmarva”), Delaware Municipal Electric Corporation, Inc. (“DEMEC”), Maryland Office of People’s Counsel (“MD-OPC”), Maryland Public Service Commission (“Maryland PSC”), and Old Dominion Electric Cooperative (“ODEC”) (each a “Settling Party” or “Party” and collectively the “Settling Parties” or “Parties”). The Settling Parties enter into this Settlement Agreement to resolve all issues in these dockets.

ARTICLE I

- 1.1 “Formula Rate” means the provisions contained in Attachments H-3D to PJM’s OATT.
- 1.2 “Formula Rate Protocols” means the provisions contained in Attachment H-3E to PJM’s OATT.
- 1.3 “Delmarva” means Delmarva Power & Light Company, a utility subsidiary of Pepco Holdings, Inc.
- 1.4 “PJM OATT” means the PJM Open Access Transmission Tariff.
- 1.5 “Settlement Effective Date” means the date this Settlement Agreement becomes effective in accordance with Section 3.1 of the Settlement Agreement.
- 1.6 “Annual Update” has the meaning set forth in the Formula Rate Protocols.

ARTICLE II

2.1 *Settlement Terms*

Effective as set forth in Article III, Attachment 12 of the Formula Rate included in Exhibit A to this Settlement Agreement shall replace and supersede the corresponding pages of the Formula Rate currently included in the PJM OATT. Exhibit B to this Settlement Agreement shows in redline/strikeout the agreed-upon changes to Attachment 12 of the Formula Rate. Specifically, Exhibit B reflects the revisions to the depreciation and amortization rates set forth in Attachment 12 to the Formula Rate, reflecting the negotiated stated transmission depreciation rates.

- 2.1.1 Exhibit C, included for informational purposes, sets forth the portion of the settlement transmission plant depreciation rates included in the Formula Rate comprised of service lives rates and the portion comprised of net salvage rates for each account.

2.1.2 In accordance with the settlement agreement filed in Docket No. ER19-5, *et al.*, Delmarva will include as footnote 2 to Attachment 12 in the revised Formula Rate in Exhibits A and B, that no later than June 27, 2027, and at least once every five years thereafter, Delmarva will file a new depreciation study and request for transmission depreciation rates pursuant to FPA Section 205.

2.1.3 This Settlement Agreement resolves all issues set for hearing in Docket No. ER22-2201, and all sub-dockets thereto. This Settlement Agreement does not foreclose any of the Parties' rights with respect to issues not explicitly addressed in the Settlement Agreement, nor shall it be deemed to bind any party (except in any proceeding to enforce this Settlement Agreement or as otherwise expressly provided for in the Settlement Agreement), in any future proceeding, and shall not be deemed precedential or prejudicial to any Party's rights.

ARTICLE III

3.1 *Effectiveness of Settlement Agreement.* Upon FERC approval of this Settlement Agreement as set forth in this Section 3.1, the provisions of the Settlement Agreement shall be effective as of September 1, 2022. FERC approval of this Settlement Agreement will occur if (a) FERC accepts or approves this Settlement Agreement without condition or modification by Final Order, or (b) FERC accepts or approves this Settlement Agreement with condition(s) or modification(s) by Final Order, if no Settling Party files notice with FERC within fifteen (15) days of the acceptance or approval of the Settlement Agreement stating that it objects to such condition(s) or modification(s). If any Settling Party files such notice, the

Settlement Agreement shall be null and void and of no force or effect, and the Parties shall be deemed to have reserved all of their respective rights and remedies in this proceeding. For purposes of this Settlement Agreement, an order shall be deemed to be a “Final Order” as of the date rehearing is denied by FERC, or if rehearing is not sought, the date on which the right to seek FERC rehearing expires.

- 3.2 *Compliance Filing.* Within 30 (thirty) days following FERC approval of the Settlement Agreement as set forth in Section 3.1, Delmarva, in conjunction with PJM, shall submit the tariff records included in Exhibit A and Exhibit B to FERC through eTariff as a compliance filing, to be effective on the Settlement Effective Date. The Parties shall not oppose or protest a filing made by Delmarva in conformity with this Section 3.2.
- 3.3 *True up.* In the first Annual Update following FERC Approval of this Settlement Agreement, Delmarva shall true up, with interest calculated in accordance with 18 C.F.R. § 35.19a, its rates and charges, for the period beginning September 1, 2022 through the date of such true up, using the depreciation rates included in the revised Formula Rate.

ARTICLE IV

- 4.1 *Scope of the Agreement.* This Settlement Agreement constitutes the entire agreement among the Settling Parties with respect to the subject matter addressed herein, and supersedes any and all prior or contemporaneous representations, agreements, instruments and understandings between them, whether written or oral. There are no other oral understandings, terms, or conditions, and none of the Settling Parties has relied upon any representation, express or implied, not contained in this Settlement Agreement.

- 4.2 *Non-Severability.* The Settling Parties agree and understand that the various provisions of this Settlement Agreement are not severable and shall not become operative unless and until this Settlement Agreement and the revised tariff records provided for herein become effective as set forth in Section 3.1.
- 4.3 *No Precedent.* This Settlement Agreement is submitted pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2021), and is inadmissible as evidence in any proceeding except a proceeding involving a claim of breach of, or an effort to enforce, this Settlement Agreement. No element of this Settlement Agreement constitutes precedent or should be deemed “settled practice” as that term was interpreted in *Public Service Commission of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980). It is further understood and agreed that this Settlement Agreement constitutes a negotiated agreement with multiple elements of consideration and, except as explicitly set forth herein, no Party shall be deemed to have approved, accepted, agreed, or consented to any principle or position in this proceeding.
- 4.4 *Settlement Discussions.* The discussions between and among the Parties that have produced this Settlement Agreement have been conducted with the explicit understanding, pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2021), that all offers of settlement and discussions relating thereto shall be privileged and confidential, shall be without prejudice to the position of any Party or participant presenting any such offer or participating in any such discussion, and are not to be used in any manner in connection with this

proceeding, any other proceeding, or otherwise, except to the extent necessary to enforce its terms.

4.5 *Further Assurances.* All Parties shall cooperate with, and shall not take any action inconsistent with: (i) the filing of this Settlement Agreement with FERC, and (ii) efforts to obtain FERC acceptance or approval of this Settlement Agreement without change or condition. No Party shall take any action that is inconsistent with the provisions of this Settlement Agreement.

4.6 *Waiver.* No provision of this Settlement Agreement may be waived except through a writing signed by an authorized representative of the waiving Settling Party or Settling Parties. Waiver of any particular provision of this Settlement Agreement shall not be deemed to waive any other provision or provisions hereof.

4.7 *Modifications/Standard of Review.* Unless the Parties otherwise agree in writing, any modification to this Settlement Agreement proposed by one of the Parties after the Settlement Agreement has become effective in accordance with Section 3.1 shall, as between them, be subject to the “public interest” application of the just and reasonable standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the *Mobile-Sierra* doctrine), as clarified in *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington*, 554 U.S. 527 (2008) and refined in *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165, 174-75 (2010). The standard of review for any modifications to this Settlement Agreement requested by a non-Party or initiated by the Commission acting *sua sponte* will be the most

stringent standard permissible under applicable law. *See NRG Power Mktg., LLC v. Maine Pub. Utils. Comm'n*, 558 U.S. at 174-75. Any filings under FPA Section 205 or 206 to change the depreciation rates shall not be considered modifications of the Settlement Agreement.

- 4.8 *Successors and Assigns.* This Settlement Agreement is binding upon and for the benefit of the Settling Parties and their successors and assigns.
- 4.9 *Captions and References to Sections.* The captions in this Settlement Agreement are for convenience of reference only and are not a part of this Settlement Agreement and do not in any way limit or amplify the terms and provisions of this Settlement Agreement and shall have no effect on its interpretation. Unless otherwise indicated, references to “Sections” in this Settlement Agreement refer to sections in this Settlement Agreement.
- 4.10 *Ambiguities Neutrally Construed.* This Settlement Agreement is the result of negotiations among, and has been reviewed by, each Settling Party and its respective counsel. Accordingly, this Settlement Agreement shall be deemed to be the product of each Settling Party, and no ambiguity shall be construed in favor of or against any Settling Party based on authorship of this Settlement Agreement.
- 4.11 *Authorization.* Each person executing this Settlement Agreement on behalf of a Party represents and warrants that he or she is duly authorized and empowered to act on behalf of, and to authorize this Settlement Agreement to be executed on behalf of, the Party that he or she represents.
- 4.12 *Notices.* All notices, demands, and other communications hereunder shall be in writing and shall be delivered to each Settling Party’s “Corporate Official” as

found on the Commission's website at <http://www.ferc.gov/docs-filing/corp-off.asp> or the representative(s) of each Settling Party included on the official service list in Docket No. ER22-2201-000. Notices will also be provided to the persons on the Commission's official service list in the referenced dockets.

- 4.13 *Counterparts.* This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
- 4.14 *Section 205 and 206 Filings.* Nothing contained herein shall be construed as affecting in any way the right of Delmarva unilaterally to make an application of any type to the Commission to modify prospectively, in whole or in part, the Formula Rate including the depreciation rates set forth herein under section 205 of the FPA, or to oppose any filing made or action taken under section 206 of the FPA. Nothing contained herein shall be construed as affecting in any way the right of the Commission, any Settling Party, or any other entity to unilaterally make an application of any type to the Commission to modify prospectively, in whole or in part, Delmarva's Formula Rate under section 206 of the FPA, including the depreciation rates set forth herein, or to oppose any filing made under section 205 of the FPA.

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed.

DELMARVA POWER & LIGHT COMPANY

By: _____ *Amber King* _____ Date: 10/11/23 _____

OLD DOMINION ELECTRIC COOPERATIVE

By: _____ Date: _____

MARYLAND OFFICE OF PEOPLE'S COUNSEL

By: _____ Date: _____

DELAWARE MUNICIPAL ELECTRIC CORPORATION, INC.

By: _____ Date: _____

MARYLAND PUBLIC SERVICE COMMISSION

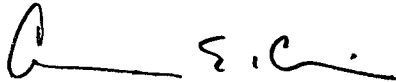
By: _____ Date: _____

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed.

DELMARVA POWER & LIGHT COMPANY

By: _____ Date: _____

OLD DOMINION ELECTRIC COOPERATIVE

By:  Date: 10/12/2023

MARYLAND OFFICE OF PEOPLE'S COUNSEL

By: _____ Date: _____

DELAWARE MUNICIPAL ELECTRIC CORPORATION, INC.

By: _____ Date: _____

MARYLAND PUBLIC SERVICE COMMISSION

By: _____ Date: _____

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed.

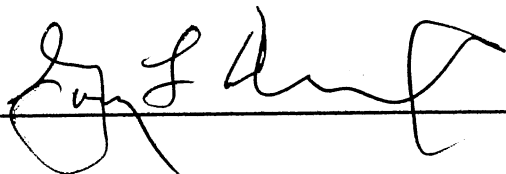
DELMARVA POWER & LIGHT COMPANY

By: _____ Date: _____

OLD DOMINION ELECTRIC COOPERATIVE

By: _____ Date: _____

MARYLAND OFFICE OF PEOPLE'S COUNSEL

By:  _____ Date: 10/11/2023

DELAWARE MUNICIPAL ELECTRIC CORPORATION, INC.

By: _____ Date: _____

MARYLAND PUBLIC SERVICE COMMISSION

By: _____ Date: _____

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed.

DELMARVA POWER & LIGHT COMPANY

By: _____ Date: _____

OLD DOMINION ELECTRIC COOPERATIVE

By: _____ Date: _____

MARYLAND OFFICE OF PEOPLE'S COUNSEL

By: _____ Date: _____

DELAWARE MUNICIPAL ELECTRIC CORPORATION, INC.

By: Thomas R. Delaney, Esq. Date: 10/11/22

MARYLAND PUBLIC SERVICE COMMISSION

By: _____ Date: _____

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed.

DELMARVA POWER & LIGHT COMPANY

By: _____ Date: _____

OLD DOMINION ELECTRIC COOPERATIVE

By: _____ Date: _____

MARYLAND OFFICE OF PEOPLE'S COUNSEL

By: _____ Date: _____

DELAWARE MUNICIPAL ELECTRIC CORPORATION, INC.

By: _____ Date: _____

MARYLAND PUBLIC SERVICE COMMISSION

By: Miles H. Mitchell Date: October 11, 2023

Miles H. Mitchell
Deputy General Counsel

Exhibit A

Clean Revised Attachment 12 to PJM OATT Attachment H-3D (Formula Rate)

Delmarva Power & Light Company Attachment 12 - Depreciation Rates

(A)	(B)	(C)
Number	Plant Type	Applied Depreciation Rate
Electric Transmission		
350.2	Land and Land Rights	0.87%
352	Structures and Improvements	1.66%
353	Station Equipment	3.18%
354	Towers and Fixtures	1.21%
355	Poles and Fixtures	3.77%
356	Overhead Conductors and Devices	3.18%
357	Underground Conduit	1.26%
358	Underground Conductors and Devices	1.71%
359	Roads and Trails	0.54%
Electric General		
390 DE	Structures and Improvements	1.01%
390 MD	Structures and Improvements	3.43%
391.1 DE	Office Furniture and Equipment	5.65%
391.1 MD	Office Furniture and Equipment	5.78%
391.3 MD	Office Furniture and Equipment	10.14%
391.3 DE	Office Furniture and Equipment	21.49%
392	Transportation Equipment	
392.2 DE	Transportation Equipment	8.34%
392.3 MD	Transportation Equipment	6.80%
392.4 MD	Transportation Equipment	6.10%
392.8 DE	Transportation Equipment	4.57%
393 DE	Stores Equipment	19.74%
393 MD	Stores Equipment	
394 DE	Tools, Shop, Garage Equipment	6.32%
394 MD	Tools, Shop, Garage Equipment	7.19%

395 DE	Laboratory Equipment	15.46%
397 DE	Communication Equipment	4.13%
397.1 DE	Communication Equipment	6.89%
397.3 DE	Communication Equipment	6.98%
397 MD	Communication Equipment	3.32%
397.1 MD	Communication Equipment	7.90%
397.3 MD	Communication Equipment	8.44%
398 DE	Miscellaneous Equipment	5.74%
398 MD	Miscellaneous Equipment	8.16%

Electric Intangible

302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	50.00%
303.2	3-year plant	33.33%
303.3	4-year plant	25.00%
303.4	5-year plant	20.00%
303.5	7-year plant	14.29%
303.6	10-year plant	10.00%
303.7	12-year plant	8.33%
303.8	15-year plant	6.67%

Common General

390.3	Structures and Improvements	0.80%
390.3a	Structures and Improvements	0.73%
390.3b	Structures and Improvements	-0.09%
391.1	Office Furniture and Equipment	5.38%
391.2	Office Furniture and Equipment	36.45%
391.3	Office Furniture and Equipment	
392	Transportation Equipment	
393	Stores Equipment	6.27%
394	Tools, Shop, Garage Equipment	6.56%
395	Laboratory Equipment	
396	Power Operated Equipment	
397.1a	Communication Equipment	6.63%
397.3	Communication Equipment	0.09%

398	Miscellaneous Equipment	5.22%
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Common Intangible

302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	50.00%
303.2	3-year plant	33.33%
303.3	4-year plant	25.00%
303.4	5-year plant	20.00%
303.5	7-year plant	14.29%
303.6	10-year plant	10.00%
303.7	12-year plant	8.33%
303.8	15-year plant	6.67%

Note: Depreciation and amortization rates reflected in FERC in Docket # ER22-2201 (transmission), Delaware Docket No. 16-0649 (general and intangible), Maryland Case No. 9670 (general and intangible), Maryland Case No. 9610 (general and intangible for Accounts 392.2 DE and 392.8 DE only).

No later than June 27, 2027, and at least once every five years thereafter, Delmarva will file a new depreciation study and request for transmission depreciation rates pursuant to FPA Section 205.

Exhibit B

Marked Revised Attachment 12 to PJM OATT Attachment H-3D (Formula Rate)

Delmarva Power & Light Company Attachment 12 - Depreciation Rates

(A)	(B)	(C)
Number	Plant Type	Applied Depreciation Rate
Electric Transmission		
350.2	Land and Land Rights	1.54%-0.87%
352	Structures and Improvements	2.00%-1.66%
353	Station Equipment	2.10%-3.18%
354	Towers and Fixtures	2.27%-1.21%
355	Poles and Fixtures	3.68%-3.77%
356	Overhead Conductors and Devices	2.60%-3.18%
357	Underground Conduit	2.50%-1.26%
358	Underground Conductors and Devices	2.50%-1.71%
359	Roads and Trails	2.00%-0.54%
Electric General		
390 DE	Structures and Improvements	1.01%
390 MD	Structures and Improvements	3.48%-3.43%
391.1 DE	Structures and Improvements Office Furniture and Equipment	5.65%
391.1 MD	Structures and Improvements Office Furniture and Equipment	5.78%
391.2 DE	Structures and Improvements Office Furniture and Equipment	5.65%-5.78%
391.3 DE	Structures and Improvements Office Furniture and Equipment	21.49%
391.3 MD	Structures and Improvements Office Furniture and Equipment	10.14%
391.1 MD	Structures and Improvements Office Furniture and Equipment	6.68%
391.2 MD	Structures and Improvements	
391.3 MD	Structures and Improvements	10.00%
392	Transportation Transportation Equipment	

392.2 DE	Transportation Equipment	8.34%
392.3 MD	Transportation Equipment	6.80%
392.4 MD	Transportation Equipment	6.10%
392.8 DE	Transportation Equipment	4.57%
393 DE	Stores Equipment	19.74%
393 MD	Stores Equipment	
394 DE	Tools, Shop, Garage Equipment	6.32%
394.1 DE	Tools, Shop, Garage Equipment	2.78%
394 MD	Tools, Shop, Garage Equipment	6.67%-7.19%
394.1 MD	Tools, Shop, Garage Equipment	
395 DE	Laboratory Equipment	15.46%
395 MD	Laboratory Equipment	
396	Power Operated Equipment	-
397 DE	Communication Equipment	4.13%
397.1 DE	Communication Equipment	6.98% -6.89%
397.3 DE	Communication Equipment	6.89% -6.98%
397 MD	Communication Equipment	3.09% -3.32%
397.1 MD	Communication Equipment	6.90% -7.90%
397.3 MD	Communication Equipment	6.67% -8.44%
398 DE	Miscellaneous Equipment	5.74%
398 MD	Miscellaneous Equipment	6.67% 8.16%

Electric Intangible

302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	50.00%
303.2	3-year plant	33.33%
303.3	4-year plant	25.00%
303.4	5-year plant	20.00%
303.5	7-year plant	14.29%
303.6	10-year plant	10.00%
303.7	12-year plant	8.33%
303.8	15-year plant	6.67%

Common General

390.3	Structures and Improvements	0.80%
390.3a	Structures and Improvements	0.73%
390.3b	Structures and Improvements	-0.09%
391.1	Structures and Improvements Office Furniture and Equipment	5.38%
391.2	Structures and Improvements Office Furniture and Equipment	36.45%

391.3	Structures and Improvements Office Furniture and Equipment	36.45%
392	Transportation Transportation Equipment	
393	Stores Equipment	6.27%
394	Tools, Shop, Garage Equipment	6.56%
395	Laboratory Equipment	
396	Power Operated Equipment	
397.1	Communication Equipment	4.75%
397.1a	Communication Equipment	6.63%
397.3	Communication Equipment	0.09%
398	Miscellaneous Equipment	5.52% 5.22%
398.1a	Miscellaneous Equipment	5.74%

Common Intangible

302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	50.00%
303.2	3-year plant	33.33%
303.3	4-year plant	25.00%
303.4	5-year plant	20.00%
303.5	7-year plant	14.29%
303.6	10-year plant	10.00%
303.7	12-year plant	8.33%
303.8	15-year plant	6.67%

Depreciation and amortization rates ~~as approved by~~ reflected in FERC in Docket # ER22-2201 (transmission), Delaware Docket No. 16-0649 (general and intangible), Maryland Case No. 9670 (general and intangible), Maryland Case No. 9610 (general and intangible for Accounts 392.2 DE and 392.8 DE only).

Note: No later than June 27, 2027, and at least once every five years thereafter, Delmarva will file a new depreciation study and request for transmission depreciation rates pursuant to FPA Section 205.

Exhibit C

Informational Exhibit Describing Composition of Settlement Depreciation Rates

FERC Account		Service Lives Rate	Net Salvage Rate	Settlement Depreciation Rate (Total)
350.20	LAND RIGHTS	0.87%	0.00%	0.87%
352.00	STRUCTURES AND IMPROVEMENTS	1.38%	0.28%	1.66%
353.00	STATION EQUIPMENT	2.61%	0.57%	3.18%
354.00	TOWERS AND FIXTURES	0.87%	0.34%	1.21%
355.00	POLES AND FIXTURES	2.33%	1.44%	3.77%
356.00	OVERHEAD CONDUCTORS AND DEVICES	1.95%	1.23%	3.18%
357.00	UNDERGROUND CONDUIT	1.26%	0.00%	1.26%
358.00	UNDERGROUND CONDUCTORS AND DEVICES	1.55%	0.16%	1.71%
359.00	ROAD AND TRAILS	0.54%	0.00%	0.54%

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by electronic mail a copy of the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 16th day of October, 2023.

/s/ Lisa B. Luftig
Lisa B. Luftig
Exelon Corporation