

NEWS:

Rehearing Granted on Dispute Impacting Electricity Bills



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Delaware Governor

John Carney and Maryland Governor Larry Hogan are thanking federal officials for agreeing to reconsider who will pay for a controversial \$278 million project to improve the regional power grid.

The dispute is over the financing of a new transmission line that would run from the nuclear-powered generating facilities on New Jersey's Artificial Island to a substation across the Delaware River in New Castle County. When the project was initially approved a couple of years ago, the PJM Interconnection -- an organization that coordinates the movement of wholesale electricity in all or parts of Delaware, Maryland, and 11 other states -- maintained that customers on the Delmarva Peninsula should foot 90 percent of the project's cost, even though they would receive only marginal benefits from the work.

Should that happen, homeowners on the peninsula could see their electricity bills go up by several dollars per month -- a cost they would endure for decades.

The Federal Energy Regulatory Commission (FERC) agreed this week to grant a rehearing on the cost allocation of constructing the transmission line.

In a joint statement issued by both governors they said: *"As we have stated many times ... to FERC, we are not opposed to the Artificial Island project itself, but object to unfair and unreasonable costs for our residents and businesses."*

Last summer, PJM's Board of Managers appeared to relent on their earlier stance, presenting alternative cost methodologies under which ratepayers on the peninsula would collectively pay 7 to 10 percent of the project's bill.