

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

**IN THE MATTER OF INTEGRATED RESOURCE)
PLANNING FOR THE PROVISION OF STANDARD)
OFFER SERVICE BY DP&L POWER &)
LIGHT COMPANY) PSC DOCKET NO. 07-20
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**Comments by
Harris B. McDowell, III
Chair, Sustainable Energy Utility Task Force
PSC DOCKET NO. 07-20**

Dear Mr. O'Brien and Commissioners,

These comments are submitted in my role as Chair of the Sustainable Energy Utility Task Force. I previously noted in my December 18, 2006 comments filed with the PSC (attached), and I would like to emphasize again, that the proper starting point for an integrated resource plan (IRP) must begin with a thorough assessment of Delaware's future electricity demand. After assessing future electricity demand, an IRP must first consider the potential for cost-effective and environmentally sensible energy efficiency, demand-side management and customer-sited renewable energy systems (the latter reverse the flow of electricity and reduce demand) as resources to meet future demand.

The Sustainable Energy Utility Task Force has examined Delaware's demand-side options in detail, and has found that Delaware has a significant amount of cost-effective energy efficiency opportunities – enough to avoid 400 to 500 megawatts of peak demand. The Task Force has also identified cost-effective opportunities for approximately 300 megawatts of consumer-sited renewable generation. Please see my presentation “Sustainable Energy Utility: Its Goals, Organization, and Estimated Economic and Environmental Benefits,” available at www.seu-de.org/documents.html. Please also note my December 18, 2006 comments to the Commission regarding the ongoing RFP docket, which are attached.

In light of these findings, as chair of the SEU Task Force I recommend a suspension of the RFP to acquire captive capacity until the demand-side and customer-sited renewables are analyzed in detail.

In an era of extremely rapid technological change, it seems dangerous at best to make a long-range commitment to particular technologies based on an analysis of historical data. At the very least, however, a rigorous empirical process should be required to demonstrate a genuine need for captive capacity before such a commitment is made binding. To date, the only element calling for a need to make such commitment to new capacity is a phrase in House Bill 6 which is not supported by any documentation of which I am aware.