

# City of Milford



## AGENDA

Council Meeting

November 28, 2011

Milford City Hall - Joseph Ronnie Rogers Council Chambers - 201 South Walnut Street, Milford, Delaware

7:00 p.m.

### PUBLIC HEARING

Change of Zone/Patricia Arost/837 S. DuPont Boulevard  
Adoption of Ordinance 2011-25

### WORKSHOP

*Call to Order - Mayor Joseph Ronnie Rogers*

Review of Ordinance 2011-28/Chapter 193-Solid Waste/Yard Waste

Electric Rate Analysis/Electric Consultant Jay Kumar\*

*Adjourn*

### COUNCIL MEETING

*Call to Order - Mayor Joseph Ronnie Rogers*

*Invocation*

*Pledge of Allegiance*

*Recognition*

*Communications*

*Unfinished Business*

Certificate of Results of November 19, 2011 City of Milford Special Election

Adoption of Ordinance 2011-26/Approval of Borrowing/DWSRF Loan/Washington Street Treatment Facility

*New Business*

FY 2011-2012 Budget Adjustment/Transfer of Funds Assessment Department to Code & Inspections Department\*\*

Certificate Requesting Termination of City of Milford Parking Authority

Executive Session-Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees

Executive Session Matter

*Adjourn*

**SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT NO LATER THAN ONE WEEK PRIOR TO MEETING; NO PAPER DOCUMENTS WILL BE ACCEPTED OR DISTRIBUTED AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.**

This agenda shall be subject to change to include additional items including executive sessions or the deletion of items including executive sessions which arise at the time of the public body's meeting.

# City of Milford



## **PUBLIC NOTICE** **CITY COUNCIL HEARING**

NOTICE IS HEREBY GIVEN that the City Council of the City of Milford will hold a Public Hearing on Monday, November 28, 2011 at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware to consider final action on the following matter:

Bob Nash of Bob Nash Associates, Incorporated on behalf of Patricia Arost for the Change of Zone of 1.76 +/- Acres from C-1 (Community/Neighborhood Commercial) to C-3 (Highway Commercial) at 837 S. DuPont Boulevard, Milford, Delaware. Present Use and Proposed Use: Music Center; Tax Map 1-30-3.15-11.00.

All interested persons are hereby notified to be present and to express their views before a final decision is rendered. Written comments will be accepted up to one week prior to the hearing date.

Please direct all questions or comments to Christine Crouch at 302-424-3712 Extension 308.

By: Terri K. Hudson, CMC

092011

# City of Milford



## **PUBLIC NOTICE**

### **CITY OF MILFORD PLANNING COMMISSION HEARING**

NOTICE IS HEREBY GIVEN that the following applicant has filed a land use application with the Planning Department of the City of Milford:

Bob Nash of Bob Nash Associates, Incorporated on behalf of Patricia Arost for the Change of Zone of 1.76 +/- Acres from C-1 (Community/Neighborhood Commercial) to C-3 (Highway Commercial) at 837 S. DuPont Boulevard, Milford, Delaware. Present Use and Proposed Use: Music Center; Tax Map 1-30-3.15-11.00.

A Public Hearing is scheduled for Tuesday, October 18, 2011 at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

All parties of interest are hereby notified to be present for the review and recommendation by the Planning Commission to City Council. Final approval must be granted by City Council.

If unable to attend, written comments will be accepted in advance of the hearing. Anyone with questions or comments should contact Christine Crouch at 302-424-3712 Extension 308.

By: Terri Hudson, CMC

092011



# Land Use Application Cover Sheet

File Name: AROST, PATRICIA  
 File Number: 11-174

CITY OF MILFORD  
 Date Stamp  
 AUG 31 2011

RECEIVED

**Instructions for Applicants:**

Please read and follow all instructions on your application carefully. If you have any questions about the process or your project, it is strongly recommended that you speak with staff prior to submitting your application to help ensure that processing can advance in a timely manner. Every application must include this cover sheet, the application/checklist and all required items. No applications will be accepted if violations exist or if any fees owed the City are delinquent.

**Specify Type of Land Use Application to be submitted (check all that apply):**

- Preliminary Site Plan
- Preliminary Major Subdivision
- Final Minor Subdivision
- Final Site Plan
- Final Major Subdivision
- Variance/Appeal
- Change of Zone
- Conditional Use

**Please Type or Print Legibly**

<b>Property Owner:</b> <u>Pat Arost</u>		Phone: <u>302-422-2300</u>
Address: <u>837 S. Dupont Blvd.</u>		Cell: <u>302-270-2065</u>
City: <u>Milford</u>	State: <u>DE</u>	Zip: <u>19963</u>
E-Mail: <u>info @ milford music ctr. com</u>		Fax: <u>302-422-3988</u>
<b>Contact Person For This Application:</b> <u>Bob Nash</u>		Phone: <u>302-422-7327</u>
Address: <u>14 S. MAPLE AVE</u>		Cell: <u>302-462-0555</u>
City: <u>MILFORD</u>	State: <u>DE</u>	Zip: <u>19963</u>
E-Mail: <u>rnash551@comcast.net</u>		Fax: <u>302-422-3929</u>
<b>Applicant Name and/or Company:</b> <u>Bob Nash Assoc., INC</u>		Phone: <u>302-422-7327</u>
Address: <u>14 S. MAPLE AVE.</u>		Cell: <u>302-462-0555</u>
City: <u>MILFORD</u>	State: <u>DE</u>	Zip: <u>19963</u>
E-Mail: <u>rnash551@COMCAST.NET</u>		Fax: <u>302-422-3929</u>
<b>Site Address:</b> <u>837 S. DUPONT BLVD</u>		Zoning: <u>C-1</u>
<b>Tax Map &amp; Parcel Number (s):</b> <u>1-30-3.15-11.00</u>		Acreage: <u>1.76 AC ±</u>
<b>Description of Proposal:</b> <u>CHANGE OF ZONE FROM C-1 TO G3</u>		
I/We certify that the information provided in this application, including all submittals and attachments, is true and correct to the best of my/our knowledge.		
Signature of Applicant: <u>[Signature]</u>		Date: <u>8/31/11</u>
Signature of Property Owner: <u>[Signature]</u>		Date: <u>8/31/11</u>

REVISED: 05.03.11



# Change of Zone Application

File Name: AROST, PATRICIA  
 File Number: 11-174

**CITY OF MILFORD**  
 Date Stamp  
**AUG 31 2011**

**RECEIVED**

A Land Use Application for a Change of Zone is deemed complete when it is accompanied by the required items identified below. Please be advised that additional information may be required during the review process in order to respond to or resolve particular issues. No application shall be considered complete if any of the required information is missing.

Requested Zoning: C-3 Comprehensive Plan Designation: C-3

**REQUIRED ITEMS**

- 1. Land Use Application Cover Sheet.
- 2. A full legal description of the property. DEED 3413 PG 28
- 3. Fifteen folded copies of a site plan (no larger than 11" x 17"), drawn to scale, showing:
  - A. Date, scale and north arrow;
  - B. Existing and proposed right-of-ways and improvements;
  - C. Existing and proposed utilities;
  - D. Existing natural features;
  - E. Existing and proposed structures and other improvements;
  - F. The location of proposed parking;
  - G. All structures, natural features and other improvements on abutting property.
- 4. Application fee.

For Staff Use ONLY	
Verified	Waived
<u>cc</u>	
<u>cc</u>	
<u>cc</u>	

I/We certify that the information provided in this application, including all submittals are attachments, is true and correct to the best of my/our knowledge.

Signature of Applicant: [Signature] Date: 8/31/11  
 Signature of Property Owner: [Signature] Date: 8/31/11

	FOR STAFF USE ONLY			
	DAC	Planning Commission	City Council	BOA
Owner	n/a	10.18.11	11.28.11	n/a
Contact				
Applicant				

Milford, Delaware, Code of Ordinances >> PART II - GENERAL LEGISLATION >> [Chapter 230 - ZONING](#) >>  
[ARTICLE XII - Amendments](#) >>

## ARTICLE XII - Amendments

[§ 230-58. - Procedure.](#)

[§ 230-59. - Hearing; notice required.](#)

[§ 230-60. - Fee.](#)

### § 230-58. - Procedure.

- A. The City Council may, from time to time, on its own motion or the motion of the Planning Commission or on petition by an owner, amend, supplement, change, modify or repeal the zoning regulations, restrictions and boundaries in a manner in accordance with the procedure provided.
- B. All proposals for amending, supplementing, changing, modifying or repealing the zoning regulations, restrictions or boundaries, before being acted upon by the City Council, except those originating on motion of the Planning Commission, shall be referred to the Planning Commission for consideration and recommendation. The Planning Commission shall study all proposals, whether originating with the Commission or otherwise, conduct a public hearing, after having given notice required for the agenda of the Commission, and report its findings and recommendations to the City Council.
- C. The Planning Commission is granted the authority to require, as a condition to consideration of any proposal other than one originating with the City Council, that a petition be submitted accompanied by such maps, charts, sketches and other information as the Commission deems necessary for the proper and effective consideration of such proposal and to refuse to consider any proposal not complying with such requirement.
- D. No proposed amendment, change, modification or repeal of any zoning regulation, restriction or boundary shall become effective until after a public hearing shall have been held by the City Council at which parties in interest and citizens shall have an opportunity to be heard. At least 15 days' notice of the time and place of such hearing shall be published in a newspaper of general circulation in the City of Milford. In case of an unfavorable report or recommendation for denial by the Planning Commission, such amendment or change shall not become effective except by a favorable vote of 3/4 of the City Council.
- E. In the event of a protest against such changes signed by 20% or more of property owners within 200 feet of the proposed change, such amendment shall not become effective except by the favorable vote of 3/4 of all the members of the City Council.
- F. If, after due consideration, a proposal is denied, such proposal shall not be eligible for reconsideration for a period of one year after final action by the City Council, except upon the favorable vote of 3/4 of the Planning Commission or City Council.

### § 230-59. - Hearing; notice required.

No change or amendment shall become effective until after a public hearing at which parties in interest and citizens shall have had an opportunity to be heard. At least 15 days' notice of the time and place of such hearing shall be published in an official paper or a paper of general circulation in the City of Milford. In all cases in which a proposed amendment would change the Zoning Map, notice of the amendment shall be sent by mail to all property owners of record whose property is proposed to be changed by the amendment and all property owners within 200 feet of the proposed change.

### § 230-60. - Fee.

*[Amended 5-11-1998 by Ord. No. 4-1998; 4-9-2007 by Ord. No. 2007-3]*

A nonrefundable fee as set forth in [§ 230-57](#) shall accompany each application or petition, except for those petitions which have been initiated by the City Council or by the Planning Commission.

### § 230-14. - C-3 Highway Commercial District.

In a C-3 District no building or premises shall be used and no building shall be erected or altered which is arranged, intended or designed to be used except for one or more of the following uses and complying with the requirements so indicated.

- A.** Purpose. The purpose of the C-3 District is to provide for larger-scale commercial uses that may require large amounts of parking space or have a high traffic impact. These uses generally require locations on major arterial routes and serve both local and regional customers.
- B.** Permitted uses. Permitted uses for the C-3 District shall be as follows:
- (1) Those uses permitted in the C-2 District.
  - (2) Warehouses.
  - (3) Large retail outlets.
  - (4) Indoor storage accessory building.
  - (5) Fast-food restaurants and drive-in restaurants.
  - (6) Supermarkets.
  - (7) Truck and trailer rentals.
  - (8) Roadside produce market.
  - (9) Memorial stone shop.
  - (10) Outdoor commercial recreational facilities, not motorized vehicles.
  - (11) Swimming club.
  - (12) Indoor facility for amusement or assembly.
  - (13) Bus station.
- C.** Conditional uses subject to special requirements. The following uses are permitted subject to receiving a conditional use permit by the City Council as provided in Article IX of this chapter:

*[Amended 10-12-1998 by Ord. No. 10-1998]*

- (1) Motels or hotels with a minimum lot size of three acres.
- (2) Commercial greenhouse.
- (3) Wholesale establishment.
- (4) Newspaper publishing or printing establishment.
- (5) Contractors', craftsmen's or general service shops, including welding and similar shops.
- (6) Laboratory, testing and research.
- (7) Car repair shops.
- (8) Used car lots.
- (9) Telephone central office or television cable central office.
- (10) Service station, automobile sales agency, public garage, parking garage or lot, but not including storage of wrecked cars, subject to the following special requirements:
  - (a) All facilities shall be located and all services shall be conducted on the lot.
  - (b) All repair work shall be conducted within an entirely enclosed building.
  - (c) No equipment for the service of gasoline or oil shall be placed closer to any street or property line than 20 feet.
  - (d) No portion of such structure or its equipment shall be located within 500 feet of the premises of any school, hospital, church or public recreation building.
  - (e) No service station shall be located within 800 feet of another service station on the same side of the street within the same block.
  - (f) Any such use shall be permitted only where it is determined that it will not materially interfere with the main pedestrian movement in conjunction with a compact retail area.
- (11) Shopping center, subject to site plan review and the following site requirements:
  - (a) The total shall not be less than one acre.
  - (b) The site must be served by public water, sewer and electricity.
  - (c) Stormwater drainage. The facilities shall be provided by the developer to handle the increase in stormwater runoff, and he shall make contributions towards the cost of off-site facilities of the shopping center.
  - (d) Traffic and parking.
    - [1] The internal circulation of traffic shall be separated from the external street system, and pedestrian and vehicular traffic shall be separated through traffic control devices and appropriate site design.
    - [2] Access to state highways shall be controlled by the State Department of Transportation.
    - [3] The minimum distance between accessways and a residential district shall be 50 feet.
    - [4] Spacing of accessway.
      - [a] From adjoining property: 50 feet.
      - [b] From minor intersections: 50 feet.
      - [c] From major intersections: 100 to 150 feet.
    - [5] Five and one-half parking spaces shall be provided per 1,000 feet of leasable area.

- (e)** **[6]** Parking lots shall be attractively landscaped as shown on the general site plan.  
Setback.
  - [1]** From street right-of-way: 15 feet.
  - [2]** From nonresidential districts: 15 feet.
  - [3]** From residential districts: 100 feet.
- (f)** Buffering and landscaping.
  - [1]** There shall be a minimum of a ten-foot landscaped buffer along all lot lines. The screening shall be six feet high near residential districts.
  - [2]** Ten percent of the site shall be landscaped and may include features such as pedestrian walking or rest areas and courtyards.

**(12)** Day-care centers, with site plan required.

*[Added 10-14-1991]*

**(13)** Car wash, all types (staffed, automatic, self-service, etc.).

*[Added 6-14-1993]*

**(14)** Convenience stores with gas pumps.

**(15)** Community residential treatment program.

*[Added 9-13-1999 by Ord. No. 6-1999]*

**(16)** All dwellings other than single-family with a maximum density of 12 units per acre.

**(17)** Business, commercial or industrial uses that do not adversely affect neighboring properties.

**(18)** Billboard, subject to the following:

- (a)** Shall be constructed and maintained in accordance with the Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions.

**D.** Area regulations.

**(1)** Minimum lot area shall be one acre.

**(2)** Maximum lot coverage shall be 80%.

**(3)** Minimum lot width shall be as follows: for an interior lot 150 feet and for a corner lot 170 feet.

**(4)** Height of buildings shall not exceed three stories or 35 feet.

**(5)** Minimum building setback shall be 30 feet.

**(6)** Side yards shall be provided as follows: each lot shall have two side yards a minimum of 20 feet with a minimum aggregate width of two side yards of 50 feet.

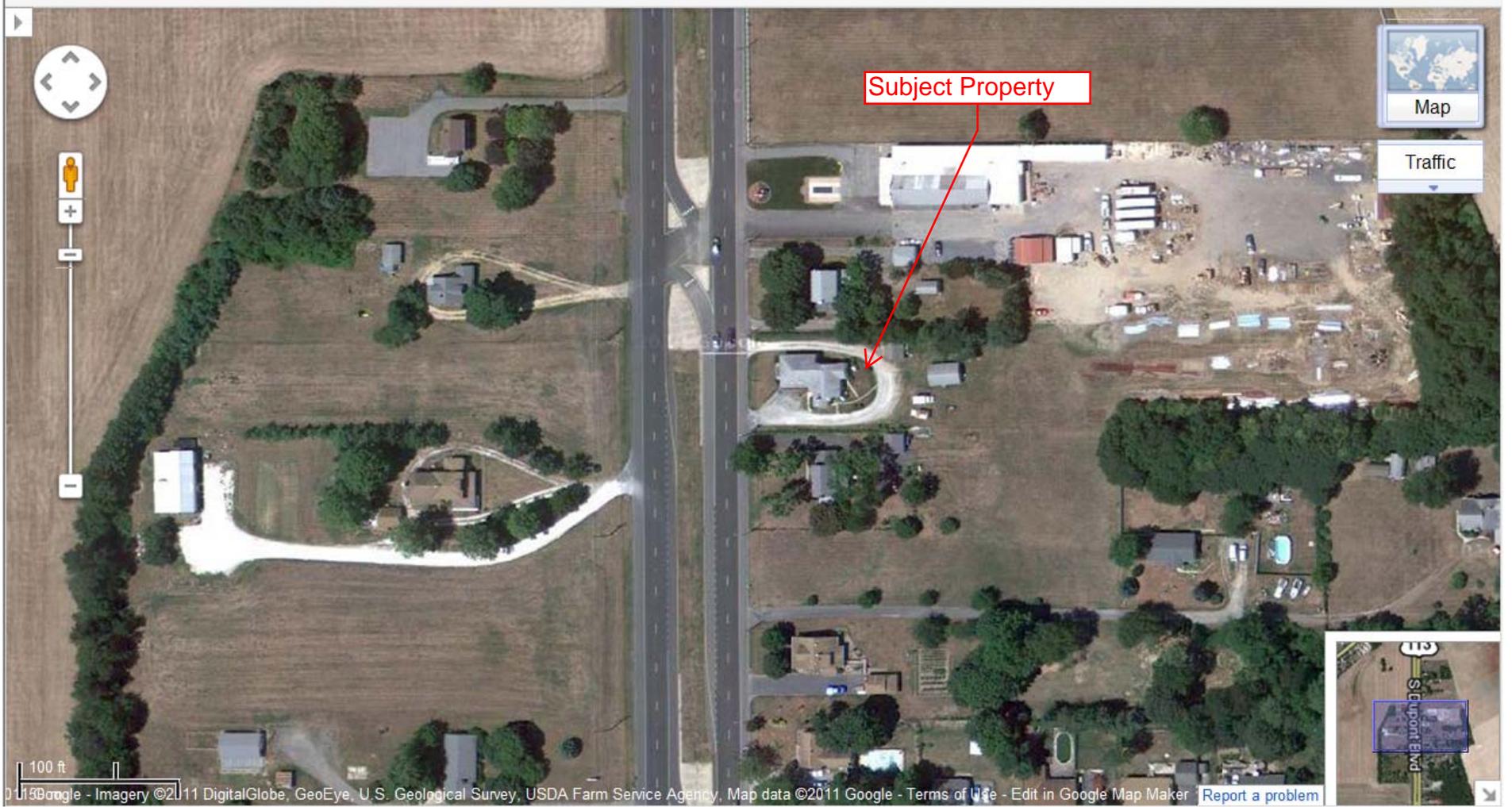
**(7)** Minimum rear yard shall be 50 feet.

**(8)** Parking shall comply with the requirements provided in Article IV of this chapter.

**(9)** Landscape screening shall comply with the requirements provided in Article V of this chapter.

**(10)** Signs shall comply with the requirements provided in Article VI of this chapter.

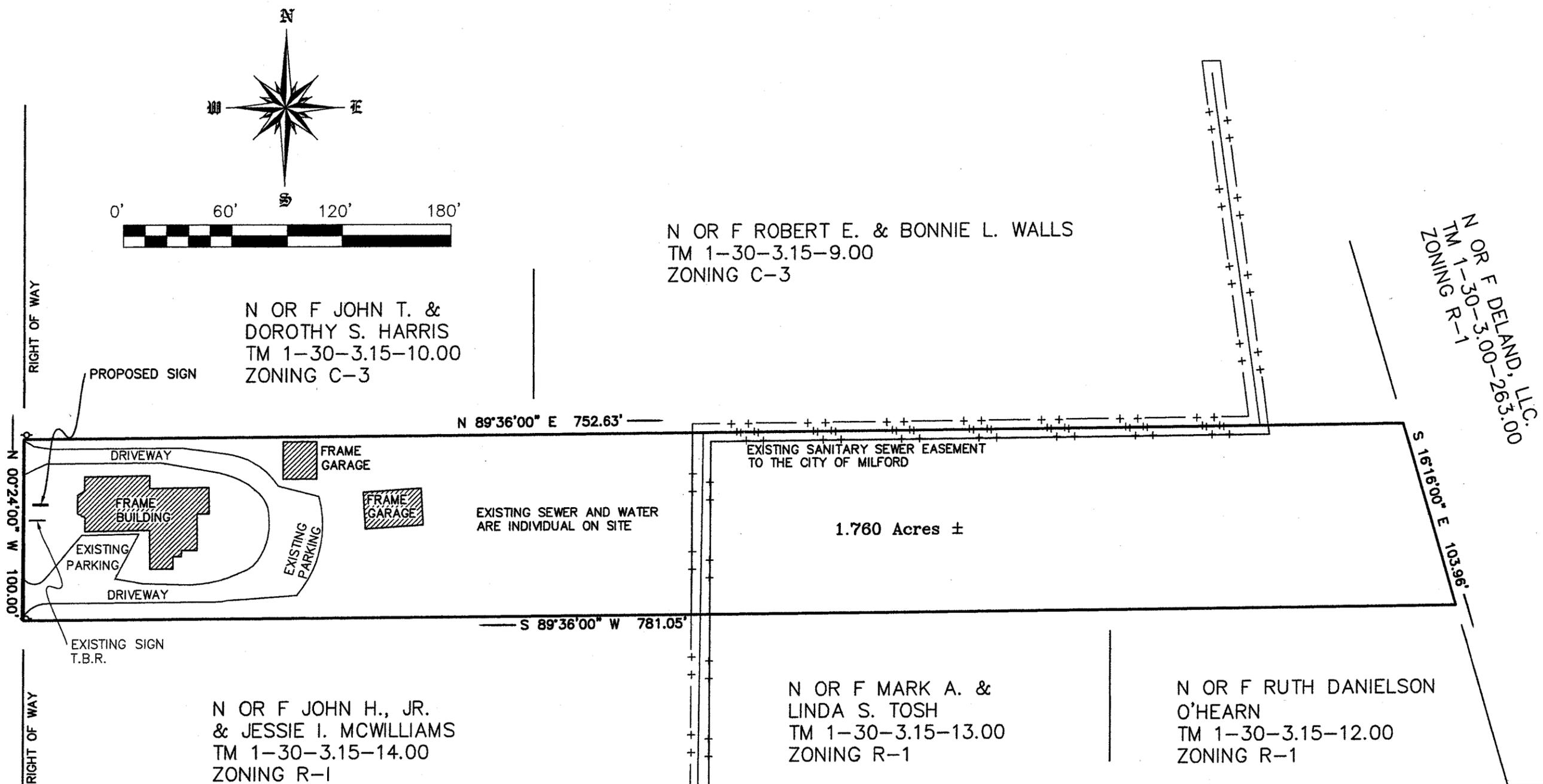
*[Ord. No. 2008-18, § 3, 8-24-2009; Ord. No. 2009-22, § 2, 9-27-2010]*



Subject Property



DUPONT BLVD.(US RTE 113)



BASIS OF BEARING SYSTEM= SURVEY BY CENTURY ENG. INC. DATED 2-27-92 RECORDED IN PLAT BK 41 PG 341 NO SURVEY PERFORMED AT THIS TIME INFORMATION ON THIS PLOT DERIVED FROM ABOVE SURVEY AND FIELD MEASUREMENTS OF ADDED FEATURES, EASEMENTS CREATED FROM RECORD DOCUMENTS.

*[Handwritten signature]*

Property of:	
PATRICIA AROST	
CITY OF MILFORD	DATE: AUG. 30, 2011
SUSSEX COUNTY, DELAWARE	W.O.:
 <b>Bob Nash</b> ASSOCIATES <i>Surveying &amp; Land Design</i>	T.M.: 1-30-3.15-11.00
	F.B.: N/A
DRAWN BY: RWN	
DISK: AROST2011	
SCALE: 1" = 60'	

14 South Maple Ave. Milford, DE 19963  
(302) 422-7327 P.L.S. 551

**CITY OF MILFORD  
PLANNING COMMISSION**

**RESOLUTION NO. PC11-017**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MILFORD,  
DELAWARE, RECOMMENDING TO THE CITY COUNCIL OF THE CITY OF  
MILFORD**

**THE CHANGE OF ZONE FROM C-1 TO C-3 (1.76 ACRES) FOR  
PATRICIA AROST  
AT 837 SOUTH DUPONT BLVD  
TAX MAP 1-30-3.15-11.00**

WHEREAS, the owner and applicant has made application with the City of Milford; and,

WHEREAS, the proposed application shall comply with the standards and regulations of the Code of the City of Milford; and,

WHEREAS, the Planning Commission met and heard said application during a public hearing on October 18, 2011; and,

WHEREAS, by a vote of \_\_\_\_\_ recommended approval of the application.

NOW, THEREFORE, BE IT RESOLVED, the Planning Commission has recommended approval of the application to the Mayor and City Council of the City of Milford, Delaware with the following recommendations:

1.

APPROVED: \_\_\_\_\_  
Charles Rini,  
Planning Commission Chairman

SIGNED: \_\_\_\_\_  
Christine Crouch,  
Planning Commission Rec Secretary

**CITY OF MILFORD  
PLANNING COMMISSION**

**RESOLUTION NO. PC11-017**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MILFORD,  
DELAWARE, RECOMMENDING TO THE CITY COUNCIL OF THE CITY OF  
MILFORD  
THE CHANGE OF ZONE FROM C-1 TO C-3 (1.76 ACRES) FOR  
PATRICIA AROST  
AT 837 SOUTH DUPONT BLVD  
TAX MAP 1-30-3.15-11.00**

WHEREAS, the owner and applicant has made application with the City of Milford; and,

WHEREAS, the proposed application shall comply with the standards and regulations of the Code of the City of Milford; and,

WHEREAS, the Planning Commission met and heard said application during a public hearing on October 18, 2011; and,

WHEREAS, by a vote of \_\_\_\_\_ recommended approval of the application.

NOW, THEREFORE, BE IT RESOLVED, the Planning Commission has recommended approval of the application to the Mayor and City Council of the City of Milford, Delaware with the following recommendations:

- 1.

APPROVED: \_\_\_\_\_  
Charles Rini,  
Planning Commission Chairman

SIGNED: \_\_\_\_\_  
Christine Crouch,  
Planning Commission Rec Secretary

## PUBLIC NOTICE

Notice is hereby given the following ordinance is under review by the Milford Planning Commission and Milford City Council as indicated below:

### Ordinance 2011-25

Bob Nash of Bob Nash Associates, Incorporated on behalf of Patricia Arost  
for a Change of Zone

AN ORDINANCE OF THE CITY OF MILFORD, DELAWARE to amend the zoning map of the City of Milford by rezoning 1.76 +/- acres of real property from C-1 (Community/Neighborhood Commercial) to C-3 (Highway Commercial). Property is identified as Tax Parcel 1-30-3.15-11.00 and is located at 837 S. DuPont Boulevard, Milford, Delaware. Present Use and Proposed Use: Music Center.

Whereas, the City of Milford Planning Commission reviewed the application at a Public Hearing on October 18, 2011 and has presented item for consideration by City Council; and

Whereas, Milford City Council held an advertised Public Hearing on November 28, 2011 to allow for public comment on the application; and

Whereas, it is deemed in the best interest of the City of Milford to allow the change of zone as described herein.

Now, therefore, the City of Milford hereby ordains as follows:

Section 1. Upon the adoption of this ordinance, Tax Parcel 1-30-3.15-11.00, located at 837 S. DuPont Boulevard and owned by Patricia Arost, is hereby zoned C-3.

Section 2. Dates.

Introduction to City Council: 09-26-11

Planning Commission Review & Public Hearing: 10-18-11

City Council Review & Public Hearing 11-28-11

This ordinance shall take effect and be in force ten days after its adoption.

Ordinance 2011-25 is scheduled for adoption, with or without amendments, at the Council Meeting on Monday, November 28, 2011. Anyone with questions should contact the City of Milford Planning Department at 302-424-3712 Extension 308.

By: Terri K. Hudson, CMC  
City Clerk

PUBLIC NOTICE  
Notice of City of Milford Ordinance Review

The following ordinance is currently under review by Milford City Council:

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF MILFORD, CHAPTER 193, THEREOF, ENTITLED SOLID WASTE, BY AMENDING CHAPTER 193, SOLID WASTE, TO INCLUDE A DEFINITION FOR YARD WASTE IN ARTICLE I AND AMENDING §193-9 TO §193-12 AS CONTAINED IN ARTICLE II.

ORDINANCE 2011-28

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Chapter 193, Article I, Collection and Disposal, Section §193-1, entitled Definitions, is hereby amended by adding thereto the following definition:

*YARD WASTE-- The part of solid waste consisting of leaves, grass clippings, twigs, small branches (less than 4 ft. in length), shrubbery, prunings, and other garden material.*

Section 2. Chapter 193, Article II, Yard Waste, Section §193.9, entitled Unlawful Acts; Containment Required, is hereby amended by deleting and adding thereto the following new §193-9:

§193-9 - Unlawful Acts; Containment Required.

It shall be unlawful to deposit or place any leaves, grass trimmings, tree trimmings or other vegetative debris or matter into *any garbage container, recycling container, or a City street or drainage gutter*. Said materials shall be deposited in adequate containers ~~/receptacles or confined in such a manner as to prevent said material from being blown or washed into adjoining yard areas or streets except as allowed in §193-10.~~

Section 3. Chapter 193, Article II, Yard Waste, Section §193.10, entitled Containers, is hereby amended by deleting and adding thereto the following new §193-10:

§193-10 - Containers. Leaves, grass clippings, tree trimmings, shrubbery or other garden and yard waste or matter for collection by the City shall be placed in adequate containers so as to confine said materials, except as allowed in §193-11. The container shall ~~not exceed 30 gallons in capacity be provided to the homeowner by the City and the homeowner will be responsible for the cost of said container.~~

Section 4. Chapter 193, Article II, Yard Waste, §193.11, entitled Loose Leaf Curbside Collection, is hereby deleted and repealed:

~~§ 193-11. -- Loose leaf curbside collection:~~

~~[Added 10-11-2004 by Ord. No. 2004-102 [26]]~~

- ~~1. Loose leaves may also be raked and placed behind the curb for removal by the City's leaf vacuum at no additional cost.~~
- ~~2. Leaves must be free of stones, branches, brush and grass clippings or they will not be collected in this manner.~~
- ~~3. It is illegal to place, sweep or blow leaves and other yard waste into the street, storm drains or catch basins.~~

Section 5. Chapter 193, Article II, Yard Waste, is hereby amended by adding a new §193.11, entitled Collection Procedures, to read as follows:

§193-11. – *Collection Procedures.*

- A. *The City will provide for the collection of leaves, branches and tree trimmings from April 1 through October 31 of each year, provided that such refuse is deposited into the yard waste containers as provided for in §193-10. Disposal of leaves, branches and tree trimmings that will not fit into the container shall be the responsibility of the property owner.*
- B. *The City will provide for loose leaf curbside collection from November 1 through January 31 in accordance with the following conditions.*
  1. *Loose leaves shall be raked and placed behind the curb for removal by the City's leaf vacuum.*
  2. *Leaves must be free of stones, branches, brush and grass clippings or they will not be collected.*
  3. *It is illegal to place, sweep or blow leaves and other yard waste into the street, storm drains or catch basins.*

Section 6. Chapter 193, Article II, Yard Waste, is hereby amended by renumbering §193-12 to §193-13.

Section 7. Chapter 193, Article II, Yard Waste, is hereby amended by adding a new §193.12, entitled Collection Schedule, to read as follows:

§193-12. – *Collection Schedule.*

- A. *The City will collect yard waste as described in §193-11A once every other week.*
- B. *The loose leaf curbside collection as described in §193-11B will be collected once each week.*
- C. *The City Manager shall divide the City into districts and shall schedule the collection of yard waste in these districts on the day or days and at the times that shall be most efficient and convenient to the City. Adequate notice of the collection schedules shall be given to the residents of the times and schedules and any changes thereto.*

Section 8. Dates.

Introduction to City Council 11-14-11

Council Review: 11-28-11

Projected Adoption Date: 12-12-11

Ordinances are in effect ten days following adoption by City Council.

# CITY OF MILFORD, DELAWARE

## RATE DESIGN STUDY

Prepared By

**Economic & Technical Consultants, Inc.**

**November, 2011**

ECONOMIC & TECHNICAL CONSULTANTS, INC.

PUBLIC UTILITY AND ENERGY CONSULTANTS

economics  
accounting  
engineering

**etc**

6241 Executive Boulevard  
Rockville, MD 20852  
Office: (301) 984-7050  
Fax: (301) 984-7053  
e-mail: [etcinc@verizon.net](mailto:etcinc@verizon.net)

**RATE DESIGN STUDY**  
**FOR**  
**CITY OF MILFORD**

**INTRODUCTION**

The City of Milford's ("City") last rate design study was completed in 2006-07. Since then, DEMEC's power supply costs have increased significantly, while the Delmarva Power and Light's ("DPL's") power costs decreased significantly. This situation resulted in reducing the City's capability to compete and attract new businesses. In order to address this concern, the City retained Economic & Technical Consultants, Inc. ("ETC") to conduct a new rate design study and analyze different rate design options for reducing the Commercial and Industrial rates charged by the City and DPL reducing the subsidiary to Residential customers. This report presents the results of the ETC's Rate Design Option Analysis.

**RATE COMPARISON**

Attachment 1 compares the charges to all Customer Classes at the rates charged by the City and DPL. These charges also include the recovery of the current and reduced Purchased Power Cost Adjustment ("PPCA"). Attachment 1 shows that the changes to the City's rates are higher than the DPL's rates for all customer classes. Attachment 1 shows that at current PPCA, the City's Residential rates are very close to the DPL's rates, however, for all other classes, the City's rates are significantly higher than the DPL's rates. The difference for other classes varies from 5.81% for SGS class to 37.20% for GSP class. The

City's rates for all other large customer classes such as LGS and Special Contract Service (SCS) are higher than the DPL's rates by more than 25%. The average difference between the two rates is 21.60%. With the reduced PPCA, Attachment 1 shows that the total charges for the Residential customers at the City's rates are less than the total charges at the DPL's rates. For all other classes, the total charges at the City's rates are higher.

In Attachment 2, the charges at Base Rates, without the Purchased Power Cost, are compared. Attachment 2 shows that for all customer classes, charges at the City's Base Rates significantly exceed charges at the DPL's Base Rates and the average difference is 40.50%. Again, the percentage difference for the large customers is significantly higher.

There are two major reasons for the City's rates being higher than the DPL's rates. First, the City's power cost used in our calculations is significantly higher than the DPL's power cost. Attachment 3 shows that the DPL's power cost is \$81.55/Mwh. As included in a report dated October 12, 2011 to DEMEC's Board, DEMEC's power cost in September, 2011 declined. For 2012, DEMEC projected even a lower power cost. Hopefully, DEMEC's power cost would continue to decline and will soon match DPL's power cost. Attachment 3 shows an interesting fact. DPL charges different power costs to its customer classes: Residential Customers are charged \$105.46/MWh and Contract Services are charged \$63.69/MWh. DPL might have adopted this strategy to retain its industrial loads to the maximum extent possible.

As shown in Attachment 2, the other reason is that the City's Base Rates, which are intended to recover non power supply costs, are also higher. Attachment 2 shows that the City's Base Rates exceed DPL's Base rates by about \$3.5 million. This difference can be narrowed to \$1.0 million, if \$2.5 million is not transferred to General Fund.

Attachment 4 compares the City's current revenues with its budgeted expenses for FY 2011-2012. Attachment 4 shows that the City's Base Rates can be reduced by \$1.8 million which would still allow the City to transfer \$2.5 million to the General Fund. In order to equalize the City's Base Rates with the DP&L's Base Rates, the City's Base Rates need to be reduced by \$3.5 million. In order to do so, the transfer amount has to be reduced by \$1.7 million which would still allow the City to transfer \$800,000 every year to General Fund.

#### RATE DESIGN OPTION ANALYSIS

Following ten Rate Design Options for all customer classes were analyzed using the DEMEC's revised power cost of \$85.59/Mwh:

OPTION 1: This Option is based on collecting current revenues, and the percentage difference between the Base Rates of the City and DP&L are equalized. As discussed above, the percentage difference between the

two Base Rates varies from 19.78% for the SGS Class to 56.90% for the GSP Class. The Average Difference is 40.50%. The equalization of percentage difference results in increasing the Base Rates for the Residential and SGS Customers and reducing the Base Rates for all other customers. In Attachment 5, the total charges including PPCA are presented for each class at the City's current rates and DP&L's rates. Attachment 5 shows that at Option 1 rates, the total charges to Residential Customers increase by 4.84% and the increase for the SGS Class is 10.60%. Total charges for all other classes are reduced. The reduction varies from 7.48% for the SC Class to 14.39% for the GSP Class. The reason for the small reduction for the SC Class is that its rates are already discounted. As Option 1 rates result in significantly increasing the Residential and SGS rates, this Option is not reasonable.

OPTION 2: This Option is also based on collecting revenues at current rates and equalizing the percentage difference between the total charges including PPCA at the City's and DP&L's rates. The total charges at Option 2 rates are presented in Attachment 6. Attachment 6 shows that Option 2 rates result in increasing the Residential rates by 18.06% and SGS rates by 12.50%. Rates for all other classes decrease and the reduction varies from 14.10% for MGS Class to 27.43% for the GSP Class. As this Option also results in substantially increasing the Residential and SGS rates, this Option is also not reasonable.

OPTION 3: This Option is based on reducing the total charges by \$1.8 million and equalizing the difference between the total charges at the rates charged by the City and DP&L. Attachment 7 shows that the rates will be increased for Residential Class by 15.85% and by 9.78% for the SGS. All other classes' rates decrease. The reduction varies from 10.23% for MGS Class to 33.41% for GSP Class. Again because of the significant rate increases for Residential and SGS Customers, this Option is not reasonable.

OPTION 4: This Option is based on reducing the total charges by about \$2.8 million and equalizing the difference between the total charges at the rates charged by the City and DP&L. Attachment 8 shows that the rates will be increased for Residential Class by 5.64% and by 0.44% for the SGS. All other classes' rates decrease. The reduction varies from 23.55% for MGS Class to 35.70% for GSP Class. Again, because of a significant rate increases for Residential and SGS customers, this option is also not reasonable.

OPTION 5: This Option is based on reducing the total charges by \$3.3 million and equalizing the difference between the total charges at the rates charged by the City and DP&L. Attachment 9 shows that the rates will be

increased for Residential Class by 3.62%. All other classes' rates decrease. The reduction varies from 1.51% for SGS Class to 37.71% for GSP Class. Besides a rate increase for Residential customers, this option requires the City to discontinue all transfers to the General Fund.

Therefore, this option is not reasonable.

OPTION 6: As a significant amount of the City's load is outside the City limit, the City may want to continue the transfer of \$2.5 million per year to its General Fund in order to continue the benefit of its electric operations to its citizens. Therefore, the Option based on reducing the overall rates by \$1.8 million, i.e. Option 3 is considered as a starting point for the recommended Option. Attachment 7 shows that in spite of an overall decrease of \$1.8 million, Option 3 results in increasing Residential rates by 10.23% and SGS rates by 4.68%. Option 6 involves no rate increase for Residential Customers and use the entire amount for reducing rates for all other customers. Total charges to each Customer Class under Option 6 are presented in Attachment 10 which shows that the rate decrease for other classes varies between 5.10% for SGS and 26.11% for GSP Class. As this Option results in no rate decrease in Residential rates while other classes get significant rate decreases, this Option is also not recommended.

OPTION 7: This Option is based on about 5 % rate decrease to Residential and SGS Customers which reflects the reduction in PPCA and reducing the rates for all other Customers by \$1.8 million. Attachment 11 shows that under this Option, the rates for other classes are reduced by about 17.00 to 18.00%. This Option is reasonable if the City wants to reduce its rates by \$1.8 million only.

OPTION 8: This Option is based on reducing the overall rates by \$1.8 million in addition to the reduction in PPCA. First, the Residential and SGS rates are reduced by about 7.0%. Then, the remaining amount of \$1.8 million is used to reduce the rates for all other classes. Attachment 12 shows that the rates for other classes are reduced from 15.37% for MGS and 16.82% for SCS Customers. This Option is also reasonable in case the rates can be reduced by \$1.8 million only.

OPTION 9: The City advised ETC that it could reduce its revenues by another \$500,000. Thus, the total rate decrease is to be \$2.3 million. In Option 9, rates are reduced by about 5% for Residential and SGS Customers to reflect the decrease in PPCA and the entire \$2.3 million is used to reduce rates for other classes. Attachment 13 shows that the rates are reduced from 19.89% for MGS to 20.32% for LGS Customers.

OPTION 10: Under Option 10, rates for Residential and SGS Customers are

reduced by about 7% and the remaining amount out of \$2.3 million is used to reduce the rates for other customers. Attachment 14 shows that Option 10 rates for other customer classes are reduced by 18.24% for MGS to 19.71% for SCS Customers. Attachment 14 shows that, under this option, the overall rate decrease is about 14.0%.

## CONCLUSIONS

In Attachment 15, the results are summarized for all the above discussed ten options. Attachment 15 shows that even with the overall rate reduction of \$2.3 million or 14.0%, except for the Residential and SGS Classes, rates for all other classes are significantly higher than the DPL's rates. In Attachment 16, the average rates per Kwh for all Customers Classes are compared with the average rates/Kwh charged by Delaware Cooperative with the Year 2010. Delaware Cooperative's average rates are computed from the revenues and sales for customer classes included in the Delaware Cooperative's Annual Report for the Year 2010. Tariffs of Delaware Cooperative posted in its website shows much lower rates which are based on power cost of about \$66.0/MWh whereas the 2010 Annual Reports of the Delaware Cooperative's and its power supplier Old Dominion Electric Cooperative show a power cost of about \$88.40/MWh. Therefore, comparing the City's rates with the Delaware Cooperative's posted tariff rates is not reasonable. Further, the Delaware Cooperative's Annual Report shows the data by two categories mainly Residential and Commercial. Attachment 16 shows that the City's rates per Kwh exceed for all Classes except

for the SC Class. For the SC Class, the rate per Kwh is close to the DEC's per Kwh rate.

### RECOMMENDATION

Based on the above analyses, it is recommended that Option 9 OR 10 rates be adopted as these are based on reducing the overall rates by \$2.3 million which the City may be able to afford. If the new rates are adopted, then the resulting City's revenues should be watched closely on a quarterly basis to assure the recovery of the City's costs and transfer of \$2.5 million to General Fund.

31-01\Option Analysis

CITY OF MILFORD  
COMPARISON OF TOTAL CHARGES WITH PPCA

Attachment 1

<u>CUSTOMER CLASS</u>	<u>CHARGES AT CITY CURRENT RATES</u>	<u>CHARGES AT DP&amp;L RATES *</u>	<u>% DIFFERENCE</u>
<b><u>RESIDENTIAL</u></b>			
Summer	3,622,797	3,677,814	-1.52
Winter	6,020,457	5,906,086	1.90
Total	9,643,254	9,583,900	0.62
Total with Reduced PPCA	9,101,130	9,583,900	-5.30
<b><u>SMALL GENERAL SERVICE</u></b>			
Summer	447,506	421,132	5.89
Winter	844,140	795,525	5.76
Total	1,291,646	1,216,657	5.81
Total with Reduced PPCA	1,225,796	1,216,657	0.75
<b><u>MEDIUM GENERAL SERVICE</u></b>			
Summer	1,630,292	1,287,298	21.04
Winter	3,820,177	2,723,865	28.70
Total	5,450,469	4,011,163	26.41
Total with Reduced PPCA	5,124,397	4,011,163	21.72
<b><u>LARGE GENERAL SERVICE</u></b>			
Summer	365,026	247,470	32.20
Winter	630,941	403,327	36.08
Total	995,967	650,797	34.66
Total with Reduced PPCA	930,494	650,797	30.06
<b><u>GENERAL SERVICE PRIMARY</u></b>			
Summer	1,258,368	778,354	38.15
Winter	3,131,679	1,978,452	36.82
Total	4,390,047	2,756,806	37.20
Total with Reduced PPCA	4,097,556	2,756,806	32.72
<b><u>CONTRACT SERVICE</u></b>			
Summer	1,640,422	1,081,741	34.06
Winter	3,942,493	2,610,291	33.79
Total	5,582,915	3,692,032	33.87
Total with Reduced PPCA	5,168,957	3,692,032	28.57
<b>TOTAL</b>	<b>27,354,298</b>	<b>21,911,355</b>	<b>19.90</b>
SUMMER	8,964,411	7,493,809	16.40
WINTER	18,389,887	14,417,546	21.60
With Reduced PPCA	25,648,330	21,911,355	14.57

CITY OF MILFORD  
 COMPARISON OF TOTAL CHARGES AT BASE RATES  
 YEAR 2010-2011

Attachment 2

<u>CUSTOMER CLASS</u>	<u>CHARGES AT CITY CURRENT RATES</u>	<u>CHARGES AT DP&amp;L RATES *</u>	<u>% DIFFERE NCE</u>
<b><u>RESIDENTIAL</u></b>			
Summer	1,552,000	1,015,831	34.55
Winter	2,646,509	1,679,726	36.53
Total	4,198,509	2,695,557	35.80
<b><u>SMALL GENERAL SERVICE</u></b>			
Summer	185,982	156,575	15.81
Winter	369,343	288,899	21.78
Total	555,325	445,474	19.78
<b><u>MEDIUM GENERAL SERVICE</u></b>			
Summer	467,380	324,939	30.48
Winter	1,331,208	669,865	49.68
Total	1,798,588	994,804	44.69
<b><u>LARGE GENERAL SERVICE</u></b>			
Summer	82,432	41,820	49.27
Winter	174,307	69,337	60.22
Total	256,739	111,157	56.70
<b><u>GENERAL SERVICE PRIMARY</u></b>			
Summer	273,158	122,973	54.98
Winter	737,306	312,558	57.61
Total	1,010,464	435,531	56.90
<b><u>CONTRACT SERVICE</u></b>			
Summer	247,824	152,631	38.41
Winter	664,955	360,292	45.82
Total	912,779	512,923	43.81
<b>TOTAL</b>	<b>\$8,732,404</b>	<b>\$5,195,446</b>	<b>40.50</b>
<b>SUMMER</b>	<b>\$2,808,776</b>	<b>\$1,814,769</b>	<b>35.39</b>
<b>WINTER</b>	<b>\$ 5,923,628</b>	<b>\$ 3,380,677</b>	<b>42.93</b>

CITY OF MILFORD  
DP&L's POWER COST

Attachment 3

<u>CUSTOMER CLASS</u>	<u>BUNDLED RATES</u> (a)	<u>BASE RATES</u> (b)	<u>POWER COST</u> (c)	<u>KWH</u> (d)	<u>COST \$/MWH</u> c/d*1000
<b><u>RESIDENTIAL</u></b>	9,583,900	2,695,557	6,888,343	65,316,151	105.46
<b><u>SMALL GENERAL SERVICE</u></b>	1,216,657	445,474	771,183	7,933,678	97.20
<b><u>MEDIUM GENERAL SERVICE</u></b>	4,011,163	944,804	3,066,359	39,285,764	78.05
<b><u>LARGE GENERAL SERVICE</u></b>	650,797	111,157	539,640	7,888,280	68.41
<b><u>GENERAL SERVICE PRIMARY</u></b>	2,756,806	435,531	2,321,275	35,239,920	65.87
<b><u>CONTRACT SERVICE</u></b>	3,692,032	512,923	3,179,109	49,918,800	63.69
<b>TOTAL</b>	21,911,355	5,145,446	16,765,909	205,582,593	81.55

**CITY OF MILFORD**  
**Revenue Increase Needed**

Attachment 4

<u>Line No.</u>		
1	Budgeted Service Billing Revenue	\$27,885,500
2	Orig. Budgeted Purchased Power Costs	21,000,000
3	Revised Budgeted Purch. Power Cost	21,280,097
4	Change In Purch. Power Cost	280,097
5	Revised Service Billing Revenue Required	28,165,597
6	Projected Sales Revenues at Current Base Rates	27,843,897
7	Revenue Increase Needed	321,700
8	% Revenue Increase in Total Rates	1.16%
9	Current Revenues at Base Rates*	8,732,404
10	Electric Operating Expenses**	5,235,635
11	Debt Service	667,555
12	Capital Outlay	982,310
13	Total Expenses without Purchased Power Expenses	6,885,500
14	Base Rate Revenue Increase(Decrease)	1,846,904

\* Does not include Lighting and City Acct Revenues

\*\* Based on FY 2011-12 Budget and includes Fund Transfer

**CITY OF MILFORD**  
**COMPARISON OF TOTAL CHARGES WITH PPCA**

TABLE 15

<u>CUSTOMER CLASS</u>	<u>CHARGES AT CITY CURRENT RATES</u>	<u>CHARGES AT DP&amp;L RATES *</u>	<u>% DIFFERENCE</u>
<b><u>RESIDENTIAL</u></b>			
Summer	3,622,797	3,677,814	-1.50
Winter	6,020,457	5,906,086	1.94
Total	9,643,254	9,583,900	0.62
<b><u>SMALL GENERAL SERVICE</u></b>			
Summer	447,506	421,132	6.26
Winter	844,140	795,525	6.11
Total	1,291,646	1,216,657	6.16
<b><u>MEDIUM GENERAL SERVICE</u></b>			
Summer	1,630,292	1,287,298	26.64
Winter	3,820,177	2,723,865	40.25
Total	5,450,469	4,011,163	35.88
<b><u>LARGE GENERAL SERVICE</u></b>			
Summer	365,026	247,470	47.50
Winter	630,941	403,327	56.43
Total	995,967	650,797	53.04
<b><u>GENERAL SERVICE PRIMARY</u></b>			
Summer	1,258,368	778,354	61.67
Winter	3,131,679	1,978,452	58.29
Total	4,390,047	2,756,806	59.24
<b><u>CONTRACT SERVICE</u></b>			
Summer	1,640,422	1,081,741	51.65
Winter	3,942,493	2,610,291	51.04
Total	5,582,915	3,692,032	51.22
<b>TOTAL</b>	27,354,298	21,911,355	24.84
SUMMER	8,964,411	7,493,809	19.62
WINTER	18,389,887	14,417,546	27.55
	\$16,419,398		

\* DPL Rates converted

to match city's block sizes P:\David Baird\Milford\Electric Rates\Rate Analysis-Nov 2011\Comparison of Rates, Table 15 11/22/2011

## City of Milford

### RATE OPTION 1

Attachment 5

#### EQUALIZE BASE RATE % DIFFERENCE WITH DPL

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 1 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	10,110,150	9,583,900	4.84%	5.21%
Sm Gen Ser SGS	7,933,678	1,291,646	1,428,547	1,216,657	10.60%	14.83%
Med Gen Ser MGS	39,285,764	5,450,469	5,042,694	4,011,163	-7.48%	20.46%
Large Gen Ser LGS	7,888,280	995,967	862,112	650,797	-13.44%	24.51%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	5,146,814	3,692,032	-7.81%	28.27%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,758,353</u>	<u>2,756,806</u>	<u>-14.39%</u>	<u>26.65%</u>
Total	205,538,193	27,354,298	26,348,671	21,911,355	-3.68%	16.84%

## City of Milford

### RATE OPTION 2 EQUALIZE TOTAL RATE % DIFFERENCE WITH DPL

Attachment 6

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 2 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	11,384,651	9,583,900	18.06%	15.82%
Sm Gen Ser SGS	7,933,678	1,291,646	1,453,111	1,216,657	12.50%	16.27%
Med Gen Ser MGS	39,285,764	5,450,469	4,681,936	4,011,163	-14.10%	14.33%
Large Gen Ser LGS	7,888,280	995,967	747,240	650,797	-24.97%	12.91%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,281,551	3,692,032	-23.31%	13.77%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,185,904</u>	<u>2,756,806</u>	<u>-27.43%</u>	<u>13.47%</u>
Total	205,538,193	27,354,298	25,734,394	21,911,355	-5.92%	14.86%

## City of Milford

### RATE INCREASE OPTION 3

Attachment 7

#### EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$1.8M REDUCTION

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 3 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	10,629,388	9,583,900	10.23%	9.84%
Sm Gen Ser SGS	7,933,678	1,291,646	1,352,109	1,216,657	4.68%	10.02%
Med Gen Ser MGS	39,285,764	5,450,469	4,353,826	4,011,163	-20.12%	7.87%
Large Gen Ser LGS	7,888,280	995,967	693,701	650,797	-30.35%	6.18%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,897,837	3,692,032	-30.18%	5.28%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,923,230</u>	<u>2,756,806</u>	<u>-33.41%</u>	<u>5.69%</u>
Total	205,538,193	27,354,298	23,850,092	21,911,355	-12.81%	8.13%
		16,419,398				

## City of Milford

### RATE INCREASE OPTION 4 EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$2.8M REDUCTION

Attachment 8

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 4 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	10,187,092	9,583,900	5.64%	5.92%
Sm Gen Ser SGS	7,933,678	1,291,646	1,297,336	1,216,657	0.44%	6.22%
Med Gen Ser MGS	39,285,764	5,450,469	4,166,932	4,011,163	-23.55%	3.74%
Large Gen Ser LGS	7,888,280	995,967	671,752	650,797	-32.55%	3.12%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,760,157	3,692,032	-32.65%	1.81%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,822,646</u>	<u>2,756,806</u>	<u>-35.70%</u>	<u>2.33%</u>
Total	205,538,193	27,354,298	22,905,916	21,911,355	-16.26%	4.34%

## City of Milford

### RATE INCREASE OPTION 5

Attachment 9

#### EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$3.3M REDUCTION

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 5 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	9,992,138	9,583,900	3.62%	4.09%
Sm Gen Ser SGS	7,933,678	1,291,646	1,272,161	1,216,657	-1.51%	4.36%
Med Gen Ser MGS	39,285,764	5,450,469	4,080,622	4,011,163	-25.13%	1.70%
Large Gen Ser LGS	7,888,280	995,967	653,461	650,797	-34.39%	0.41%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,643,149	3,692,032	-34.74%	-1.34%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,734,772</u>	<u>2,756,806</u>	<u>-37.71%</u>	<u>-0.81%</u>
Total	205,538,193	27,354,298	22,376,304	21,911,355	-18.20%	2.08%

City of Milford

RATE INCREASE OPTION 6  
Current Rate Design, No Increase With \$1.8M Reduction

Attachment 10

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 6 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	9,590,492	9,583,900	-0.55%	0.07%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,723,893	4,011,163	-13.33%	15.09%
Large Gen Ser LGS	7,888,280	995,967	760,726	650,797	-23.62%	14.45%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,262,752	3,692,032	-23.65%	13.39%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,243,886</u>	<u>2,756,806</u>	<u>-26.11%</u>	<u>15.02%</u>
Total	205,538,193	27,354,298	23,807,546	21,911,355	-12.97%	7.96%

## City of Milford

### RATE INCREASE OPTION 7 Current Rate Design, No Increase With \$1.8M Reduction

Attachment 11

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 7 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	9,101,130	9,583,900	-5.62%	-5.30%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,545,972	4,011,163	-16.59%	11.76%
Large Gen Ser LGS	7,888,280	995,967	823,968	650,797	-17.27%	21.02%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,576,311	3,692,032	-18.03%	19.32%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,629,885</u>	<u>2,756,806</u>	<u>-17.32%</u>	<u>24.05%</u>
Total	205,538,193	27,354,298	23,903,063	21,911,355	-12.62%	8.33%

## City of Milford

### RATE INCREASE OPTION 8 Decrease 2% At Current Rate Design With \$1.8M Reduction

Attachment 12

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 8 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	8,928,906	9,583,900	-7.41%	-7.34%
Sm Gen Ser SGS	7,933,678	1,291,646	1,203,506	1,216,657	-6.82%	-1.09%
Med Gen Ser MGS	39,285,764	5,450,469	4,612,501	4,011,163	-15.37%	13.04%
Large Gen Ser LGS	7,888,280	995,967	839,628	650,797	-15.70%	22.49%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,643,593	3,692,032	-16.82%	20.49%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,682,324</u>	<u>2,756,806</u>	<u>-16.12%</u>	<u>25.13%</u>
Total	205,538,193	27,354,298	23,910,459	21,911,355	-12.59%	8.36%

City of Milford

RATE INCREASE OPTION 9  
Current Rate Design, No Increase With \$2.3M Reduction

Attachment 13

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 9 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	9,101,130	9,583,900	-5.62%	-5.30%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,366,521	4,011,163	-19.89%	8.14%
Large Gen Ser LGS	7,888,280	995,967	793,587	650,797	-20.32%	17.99%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,409,318	3,692,032	-21.02%	16.27%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,503,513</u>	<u>2,756,806</u>	<u>-20.19%</u>	<u>21.31%</u>
Total	205,538,193	27,354,298	23,399,866	21,911,355	-14.46%	6.36%

City of Milford

RATE INCREASE OPTION 10  
Decrease 2% At Current Rate Design With \$2.3 Reduction

Attachment 14

<u>Rate Class</u>	<u>Kwh Sales, Projected</u> (a)	<u>Current Revenues with PPCA</u> (b)	<u>Option 10 Revenues</u> (c)	<u>Revenues at DPL Rates</u> (d)	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
Res. RS	65,316,151	9,643,254	8,928,906	9,583,900	-7.41%	-7.34%
Sm Gen Ser SGS	7,933,678	1,291,646	1,203,506	1,216,657	-6.82%	-1.09%
Med Gen Ser MGS	39,285,764	5,450,469	4,456,246	4,011,163	-18.24%	9.99%
Large Gen Ser LGS	7,888,280	995,967	805,990	650,797	-19.07%	19.25%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,482,601	3,692,032	-19.71%	17.64%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,603,234</u>	<u>2,756,806</u>	<u>-17.92%</u>	<u>23.49%</u>
Total	205,538,193	27,354,298	23,480,484	21,911,355	-14.16%	6.68%

# City of Milford

## Summary of Ten Options

Attachment 15

<u>Rate Class</u>	--- OPTION 1 ---		--- OPTION 2 ---		--- OPTION 3 ---		--- OPTION 4 ---		--- OPTION 5 ---	
	% Increase (Decrease)	%								
	from Current Rates	Difference from DP&L Rates								
	<u>w/PPCA</u>	<u>Rates</u>								
Res. RS	4.84%	5.21%	18.06%	15.82%	10.23%	9.84%	5.64%	5.92%	3.62%	4.09%
Sm Gen Ser SGS	10.60%	14.83%	12.50%	16.27%	4.68%	10.02%	0.44%	6.22%	-1.51%	4.36%
Med Gen Ser MGS	-7.48%	20.46%	-14.10%	14.33%	-20.12%	7.87%	-23.55%	3.74%	-25.13%	1.70%
Large Gen Ser LGS	-13.44%	24.51%	-24.97%	12.91%	-30.35%	6.18%	-32.55%	3.12%	-34.39%	0.41%
Gen Ser Prim Spec Contract	-7.81%	28.27%	-23.31%	13.77%	-30.18%	5.28%	-32.65%	1.81%	-34.74%	-1.34%
Gen Ser Prim GSP	-14.39%	26.65%	-27.43%	13.47%	-33.41%	5.69%	-35.70%	2.33%	-37.71%	-0.81%
Total	-3.68%	16.84%	-5.92%	14.86%	-12.81%	8.13%	-16.26%	4.34%	-18.20%	2.08%
	--- OPTION 6 ---		--- OPTION 7 ---		--- OPTION 8 ---		--- OPTION 9 ---		--- OPTION 10 ---	
	% Increase (Decrease)	%								
	from Current Rates	Difference from DP&L Rates								
	<u>w/PPCA</u>	<u>Rates</u>								
Res. RS	-0.55%	0.07%	-5.62%	-5.30%	-7.41%	-7.34%	-5.62%	-5.30%	-7.41%	-7.34%
Sm Gen Ser SGS	-5.10%	0.75%	-5.10%	0.75%	-6.82%	-1.09%	-5.10%	0.75%	-6.82%	-1.09%
Med Gen Ser MGS	-13.33%	15.09%	-16.59%	11.76%	-15.37%	13.04%	-19.89%	8.14%	-18.24%	9.99%
Large Gen Ser LGS	-23.62%	14.45%	-17.27%	21.02%	-15.70%	22.49%	-20.32%	17.99%	-19.07%	19.25%
Gen Ser Prim Spec Contract	-23.65%	13.39%	-18.03%	19.32%	-16.82%	20.49%	-21.02%	16.27%	-19.71%	17.64%
Gen Ser Prim GSP	-26.11%	15.02%	-17.32%	24.05%	-16.12%	25.13%	-20.19%	21.31%	-17.92%	23.49%
Total	-12.97%	7.96%	-12.62%	8.33%	-12.59%	8.36%	-14.46%	6.36%	-14.16%	6.68%

**CITY OF MILFORD**

**AVERAGE RATE COMPARISON WITH DELAWARE COOPS RATES**

Rate Class	Kwh Sales	OPTION 9 Rate		OPTION 10 Rate		COOP Rate
	Projected	Revenues	Cent/Kwh	Revenues	Cent/Kwh	Cent/Kwh
	a	b	c=b/ax100	d	e=d/ax100	
Res. RS	65,316,151	9,101,130	13.93	8,928,906	13.67	11.19
Sm Gen Ser SGS	7,933,678	1,225,796	15.45	1,203,506	15.17	9.84
Med Gen Ser MGS	39,285,764	4,366,521	11.11	4,456,246	11.34	9.84
Large Gen Ser LGS	7,888,280	793,587	10.06	805,990	10.22	9.84
Gen Ser Prim Spec Contract	49,874,400	4,409,318	8.84	4,482,601	8.99	9.84
Gen Ser Prim GSP	35,239,920	3,503,513	9.94	3,603,234	10.22	9.84
Total	205,538,193	23,399,866	11.38	23,480,484	11.42	11.23

# City of Milford

## 2011 -- Rate Design

# COMPARISON OF TOTAL CHARGES WITH PPCA YEAR 2010-2011

CUSTOMER CLASS	CHARGES AT CITY CURRENT RATES	CHARGES AT DP&L RATES *	% DIFFERENCE
<b><u>RESIDENTIAL</u></b>			
Summer	3,622,797	3,677,814	-1.52
Winter	6,020,457	5,906,086	1.90
Total	9,643,254	9,583,900	0.62
Total with Reduced PPCA	9,101,130	9,583,900	-5.30
<b><u>SMALL GENERAL SERVICE</u></b>			
Summer	447,506	421,132	5.89
Winter	844,140	795,525	5.76
Total	1,291,646	1,216,657	5.81
Total with Reduced PPCA	1,225,796	1,216,657	0.75
<b><u>MEDIUM GENERAL SERVICE</u></b>			
Summer	1,630,292	1,287,298	21.04
Winter	3,820,177	2,723,865	28.70
Total	5,450,469	4,011,163	26.41
Total with Reduced PPCA	5,124,397	4,011,163	21.72
<b><u>LARGE GENERAL SERVICE</u></b>			
Summer	365,026	247,470	32.20
Winter	630,941	403,327	36.08
Total	995,967	650,797	34.66
Total with Reduced PPCA	930,494	650,797	30.06
<b><u>GENERAL SERVICE PRIMARY</u></b>			
Summer	1,258,368	778,354	38.15
Winter	3,131,679	1,978,452	36.82
Total	4,390,047	2,756,806	37.20
Total with Reduced PPCA	4,097,556	2,756,806	32.72
<b><u>CONTRACT SERVICE</u></b>			
Summer	1,640,422	1,081,741	34.06
Winter	3,942,493	2,610,291	33.79
Total	5,582,915	3,692,032	33.87
Total with Reduced PPCA	5,168,957	3,692,032	28.57
<b>TOTAL</b>	<b>27,354,298</b>	<b>21,911,355</b>	<b>19.90</b>
SUMMER	8,964,411	7,493,809	16.40
WINTER	18,389,887	14,417,546	21.60
With Reduced PPCA	25,648,330	21,911,355	14.57

# COMPARISON OF TOTAL CHARGES AT BASE RATES YEAR 2010-2011

CUSTOMER CLASS	CHARGES AT CITY CURRENT RATES	CHARGES AT DP&L RATES *	% DIFFERENCE
<b><u>RESIDENTIAL</u></b>			
Summer	1,552,000	1,015,831	34.55
Winter	2,646,509	1,679,726	36.53
Total	4,198,509	2,695,557	35.80
<b><u>SMALL GENERAL SERVICE</u></b>			
Summer	185,982	156,575	15.81
Winter	369,343	288,899	21.78
Total	555,325	445,474	19.78
<b><u>MEDIUM GENERAL SERVICE</u></b>			
Summer	467,380	324,939	30.48
Winter	1,331,208	669,865	49.68
Total	1,798,588	994,804	44.69
<b><u>LARGE GENERAL SERVICE</u></b>			
Summer	82,432	41,820	49.27
Winter	174,307	69,337	60.22
Total	256,739	111,157	56.70
<b><u>GENERAL SERVICE PRIMARY</u></b>			
Summer	273,158	122,973	54.98
Winter	737,306	312,558	57.61
Total	1,010,464	435,531	56.90
<b><u>CONTRACT SERVICE</u></b>			
Summer	247,824	152,631	38.41
Winter	664,955	360,292	45.82
Total	912,779	512,923	43.81
<b>TOTAL</b>	<b>\$8,732,404</b>	<b>\$5,195,446</b>	<b>40.50</b>
<b>SUMMER</b>	<b>\$2,808,776</b>	<b>\$1,814,769</b>	<b>35.39</b>
<b>WINTER</b>	<b>\$5,923,628</b>	<b>\$3,380,677</b>	<b>42.93</b>

# DP&L's POWER COST

CUSTOMER CLASS	BUNDLED RATES	BASE RATES	POWER COST	KWH	COST \$/MWH
	(a)	(b)	(c)	(d)	c/d*1000
<b><u>RESIDENTIAL</u></b>	9,583,900	2,695,557	6,888,343	65,316,151	105.46
<b><u>SMALL GENERAL SERVICE</u></b>	1,216,657	445,474	771,183	7,933,678	97.20
<b><u>MEDIUM GENERAL SERVICE</u></b>	4,011,163	944,804	3,066,359	39,285,764	78.05
<b><u>LARGE GENERAL SERVICE</u></b>	650,797	111,157	539,640	7,888,280	68.41
<b><u>GENERAL SERVICE PRIMARY</u></b>	2,756,806	435,531	2,321,275	35,239,920	65.87
<b><u>CONTRACT SERVICE</u></b>	3,692,032	512,923	3,179,109	49,918,800	63.69
<b>TOTAL</b>	21,911,355	5,145,446	16,765,909	205,582,593	81.55

# REVENUE INCREASE NEEDED

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Budgeted Service Billing Revenue	\$27,885,500
2	Orig. Budgeted Purchased Power Costs	21,000,000
3	Revised Budgeted Purch. Power Cost	21,280,097
4	Change In Purch. Power Cost	280,097
5	Revised Service Billing Revenue Required	28,165,597
6	Projected Sales Revenues at Current Base Rates	27,843,897
7	Revenue Increase Needed	321,700
8	% Revenue Increase in Total Rates	1.16%
9	Current Revenues at Base Rates*	8,732,404
10	Electric Operating Expenses**	5,235,635
11	Debt Service	667,555
12	Capital Outlay	982,310
13	Total Expenses without Purchased Power Expenses	6,885,500
14	Base Rate Revenue Increase (Decrease)	1,846,904

\* Does not include Lighting and City Acct Revenues

\*\* Based on FY 2011-12 Budget and includes Fund Transfer

# RATE OPTION 1

## EQUALIZE BASE RATE % DIFFERENCE WITH DPL

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 1 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	10,110,150	9,583,900	4.84%	5.21%
Sm Gen Ser SGS	7,933,678	1,291,646	1,428,547	1,216,657	10.60%	14.83%
Med Gen Ser MGS	39,285,764	5,450,469	5,042,694	4,011,163	-7.48%	20.46%
Large Gen Ser LGS	7,888,280	995,967	862,112	650,797	-13.44%	24.51%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	5,146,814	3,692,032	-7.81%	28.27%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,758,353</u>	<u>2,756,806</u>	<u>-14.39%</u>	<u>26.65%</u>
Total	205,538,193	27,354,298	26,348,671	21,911,355	-3.68%	16.84%

# RATE OPTION 2

## EQUALIZE TOTAL RATE % DIFFERENCE WITH DPL

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 2 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	11,384,651	9,583,900	18.06%	15.82%
Sm Gen Ser SGS	7,933,678	1,291,646	1,453,111	1,216,657	12.50%	16.27%
Med Gen Ser MGS	39,285,764	5,450,469	4,681,936	4,011,163	-14.10%	14.33%
Large Gen Ser LGS	7,888,280	995,967	747,240	650,797	-24.97%	12.91%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,281,551	3,692,032	-23.31%	13.77%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,185,904</u>	<u>2,756,806</u>	<u>-27.43%</u>	<u>13.47%</u>
Total	205,538,193	27,354,298	25,734,394	21,911,355	-5.92%	14.86%

# RATE OPTION 3

## EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$1.8M REDUCTION

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 3 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	10,629,388	9,583,900	10.23%	9.84%
Sm Gen Ser SGS	7,933,678	1,291,646	1,352,109	1,216,657	4.68%	10.02%
Med Gen Ser MGS	39,285,764	5,450,469	4,353,826	4,011,163	-20.12%	7.87%
Large Gen Ser LGS	7,888,280	995,967	693,701	650,797	-30.35%	6.18%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,897,837	3,692,032	-30.18%	5.28%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,923,230</u>	<u>2,756,806</u>	<u>-33.41%</u>	<u>5.69%</u>
Total	205,538,193	27,354,298	23,850,092	21,911,355	-12.81%	8.13%

# RATE OPTION 4

## EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$2.8M REDUCTION

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 4 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	10,187,092	9,583,900	5.64%	5.92%
Sm Gen Ser SGS	7,933,678	1,291,646	1,297,336	1,216,657	0.44%	6.22%
Med Gen Ser MGS	39,285,764	5,450,469	4,166,932	4,011,163	-23.55%	3.74%
Large Gen Ser LGS	7,888,280	995,967	671,752	650,797	-32.55%	3.12%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,760,157	3,692,032	-32.65%	1.81%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,822,646</u>	<u>2,756,806</u>	<u>-35.70%</u>	<u>2.33%</u>
Total	205,538,193	27,354,298	22,905,916	21,911,355	-16.26%	4.34%

# RATE OPTION 5

## EQUALIZE TOTAL BUNDLED RATE % DIFFERENCE FROM DPL WITH \$3.3M REDUCTION

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 5 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	9,992,138	9,583,900	3.62%	4.09%
Sm Gen Ser SGS	7,933,678	1,291,646	1,272,161	1,216,657	-1.51%	4.36%
Med Gen Ser MGS	39,285,764	5,450,469	4,080,622	4,011,163	-25.13%	1.70%
Large Gen Ser LGS	7,888,280	995,967	653,461	650,797	-34.39%	0.41%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	3,643,149	3,692,032	-34.74%	-1.34%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>2,734,772</u>	<u>2,756,806</u>	<u>-37.71%</u>	<u>-0.81%</u>
Total	205,538,193	27,354,298	22,376,304	21,911,355	-18.20%	2.08%

# RATE OPTION 6

## Current Rate Design, Residential Base Rate Increase With \$1.8M Reduction

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 6 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	9,590,492	9,583,900	-0.55%	0.07%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,723,893	4,011,163	-13.33%	15.09%
Large Gen Ser LGS	7,888,280	995,967	760,726	650,797	-23.62%	14.45%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,262,752	3,692,032	-23.65%	13.39%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,243,886</u>	<u>2,756,806</u>	<u>-26.11%</u>	<u>15.02%</u>
Total	205,538,193	27,354,298	23,807,546	21,911,355	-12.97%	7.96%

# RATE OPTION 7

## Current Rate Design, No Increase With \$1.8M Reduction

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 7 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	9,101,130	9,583,900	-5.62%	-5.30%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,545,972	4,011,163	-16.59%	11.76%
Large Gen Ser LGS	7,888,280	995,967	823,968	650,797	-17.27%	21.02%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,576,311	3,692,032	-18.03%	19.32%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,629,885</u>	<u>2,756,806</u>	<u>-17.32%</u>	<u>24.05%</u>
Total	205,538,193	27,354,298	23,903,063	21,911,355	-12.62%	8.33%

## RATE OPTION 8

### Decrease 2% At Current Rate Design With \$1.8M Reduction

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 8 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	8,928,906	9,583,900	-7.41%	-7.34%
Sm Gen Ser SGS	7,933,678	1,291,646	1,203,506	1,216,657	-6.82%	-1.09%
Med Gen Ser MGS	39,285,764	5,450,469	4,612,501	4,011,163	-15.37%	13.04%
Large Gen Ser LGS	7,888,280	995,967	839,628	650,797	-15.70%	22.49%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,643,593	3,692,032	-16.82%	20.49%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,682,324</u>	<u>2,756,806</u>	<u>-16.12%</u>	<u>25.13%</u>
Total	205,538,193	27,354,298	23,910,459	21,911,355	-12.59%	8.36%

# RATE OPTION 9

## Current Rate Design, No Increase With \$2.3M Reduction

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 9 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u>	<u>% Difference from DP&amp;L Rates</u>
	( a )	( b )	( c )	( d )	= 100 * ( c - b ) / b	= 100 * ( c - d ) / c
Res. RS	65,316,151	9,643,254	9,101,130	9,583,900	-5.62%	-5.30%
Sm Gen Ser SGS	7,933,678	1,291,646	1,225,796	1,216,657	-5.10%	0.75%
Med Gen Ser MGS	39,285,764	5,450,469	4,366,521	4,011,163	-19.89%	8.14%
Large Gen Ser LGS	7,888,280	995,967	793,587	650,797	-20.32%	17.99%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,409,318	3,692,032	-21.02%	16.27%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,503,513</u>	<u>2,756,806</u>	<u>-20.19%</u>	<u>21.31%</u>
Total	205,538,193	27,354,298	23,399,866	21,911,355	-14.46%	6.36%

# RATE OPTION 10

## Decrease 2% At Current Rate Design With \$2.3 Reduction

<u>Rate Class</u>	<u>Kwh Sales, Projected</u>	<u>Current Revenues with PPCA</u>	<u>Option 10 Revenues</u>	<u>Revenues at DPL Rates</u>	<u>% Increase (Decrease) from Current Rates w/PPCA</u> = 100 * (c - b) / b	<u>% Difference from DP&amp;L Rates</u> = 100 * (c - d) / c
	( a )	( b )	( c )	( d )		
Res. RS	65,316,151	9,643,254	8,928,906	9,583,900	-7.41%	-7.34%
Sm Gen Ser SGS	7,933,678	1,291,646	1,203,506	1,216,657	-6.82%	-1.09%
Med Gen Ser MGS	39,285,764	5,450,469	4,456,246	4,011,163	-18.24%	9.99%
Large Gen Ser LGS	7,888,280	995,967	805,990	650,797	-19.07%	19.25%
Gen Ser Prim Spec Contract	49,874,400	5,582,915	4,482,601	3,692,032	-19.71%	17.64%
Gen Ser Prim GSP	<u>35,239,920</u>	<u>4,390,047</u>	<u>3,603,234</u>	<u>2,756,806</u>	<u>-17.92%</u>	<u>23.49%</u>
Total	205,538,193	27,354,298	23,480,484	21,911,355	-14.16%	6.68%

# Summary of Ten Options

Rate Class	--- OPTION 1 ---		--- OPTION 2 ---		--- OPTION 3 ---		--- OPTION 4 ---		--- OPTION 5 ---	
	% Increase (Decrease) from Current Rates w/PPCA	% Difference from DP&L Rates								
	Res. RS	4.84%	5.21%	18.06%	15.82%	10.23%	9.84%	5.64%	5.92%	3.62%
Sm Gen Ser SGS	10.60%	14.83%	12.50%	16.27%	4.68%	10.02%	0.44%	6.22%	-1.51%	4.36%
Med Gen Ser MGS	-7.48%	20.46%	-14.10%	14.33%	-20.12%	7.87%	-23.55%	3.74%	-25.13%	1.70%
Large Gen Ser LGS	-13.44%	24.51%	-24.97%	12.91%	-30.35%	6.18%	-32.55%	3.12%	-34.39%	0.41%
Gen Ser Prim Spec Contract	-7.81%	28.27%	-23.31%	13.77%	-30.18%	5.28%	-32.65%	1.81%	-34.74%	-1.34%
Gen Ser Prim GSP	-14.39%	26.65%	-27.43%	13.47%	-33.41%	5.69%	-35.70%	2.33%	-37.71%	-0.81%
Total	-3.68%	16.84%	-5.92%	14.86%	-12.81%	8.13%	-16.26%	4.34%	-18.20%	2.08%

Rate Class	--- OPTION 6 ---		--- OPTION 7 ---		--- OPTION 8 ---		--- OPTION 9 ---		--- OPTION 10 ---	
	% Increase (Decrease) from Current Rates w/PPCA	% Difference from DP&L Rates								
	Res. RS	-0.55%	0.07%	-5.62%	-5.30%	-7.41%	-7.34%	-5.62%	-5.30%	-7.41%
Sm Gen Ser SGS	-5.10%	0.75%	-5.10%	0.75%	-6.82%	-1.09%	-5.10%	0.75%	-6.82%	-1.09%
Med Gen Ser MGS	-13.33%	15.09%	-16.59%	11.76%	-15.37%	13.04%	-19.89%	8.14%	-18.24%	9.99%
Large Gen Ser LGS	-23.62%	14.45%	-17.27%	21.02%	-15.70%	22.49%	-20.32%	17.99%	-19.07%	19.25%
Gen Ser Prim Spec Contract	-23.65%	13.39%	-18.03%	19.32%	-16.82%	20.49%	-21.02%	16.27%	-19.71%	17.64%
Gen Ser Prim GSP	-26.11%	15.02%	-17.32%	24.05%	-16.12%	25.13%	-20.19%	21.31%	-17.92%	23.49%
Total	-12.97%	7.96%	-12.62%	8.33%	-12.59%	8.36%	-14.46%	6.36%	-14.16%	6.68%

# AVERAGE RATE COMPARISON TO DELAWARE COOPS RATES

Rate Class	Kwh Sales Projected	OPTION 9 Rate		OPTION 10 Rate		COOP Rate
		Revenues	Cent/Kwh	Revenues	Cent/Kwh	Cent/Kwh
	a	b	c=b/ax100	d	e=d/ax100	
Res. RS	65,316,151	9,101,130	13.93	8,928,906	13.67	11.19
Sm Gen Ser SGS	7,933,678	1,225,796	15.45	1,203,506	15.17	9.84
Med Gen Ser MGS	39,285,764	4,366,521	11.11	4,456,246	11.34	9.84
Large Gen Ser LGS	7,888,280	793,587	10.06	805,990	10.22	9.84
Gen Ser Prim Spec Contract	49,874,400	4,409,318	8.84	4,482,601	8.99	9.84
Gen Ser Prim GSP	35,239,920	3,503,513	9.94	3,603,234	10.22	9.84
Total	205,538,193	23,399,866	11.38	23,480,484	11.42	11.23



Comcast  
5729 West Denneys Road  
Dover, DE 19904

November 15, 2011

Mr. David Baird  
City Manager  
City of Milford  
201 S. Walnut Street  
Milford, Delaware 19963

Dear Mr. Baird:

The channels that we provide to our customers are carried pursuant to contracts with the owners of those channels. These contracts expire from time to time, and one or more may be scheduled to expire in any given month. Negotiating programming rights agreements is a routine part of our business. We have successfully negotiated renewals of thousands of such agreements without incident.

In order to keep our communities informed of potential programming changes, Comcast has created a webpage containing upcoming programming contract expirations. The webpage is available at [www.xfinitytv.com/contractrenewals](http://www.xfinitytv.com/contractrenewals) and will display those channels for which programming contracts are scheduled to expire in the next three months.

At Comcast we are committed to providing our customers with the best in entertainment; we fully expect that we will be able to reach an agreement with the owners of these channels to continue carrying them well into the future. Should that situation change we will notify you immediately.

Please give me a call if you have questions. My direct line is 302 -672-5936.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom".

R. Thomas Worley  
Senior Director Government Regulatory Affairs

# City of Milford



## CERTIFICATE OF SPECIAL ELECTION

### THIS CERTIFIES THAT

*A Special Election was held at Milford City Hall, 201 South Walnut Street, Milford, Delaware, on Saturday the 19<sup>th</sup> day of November 2011.*

The undersigned Members of the Election Board for the City of Milford, constituted to hold the aforesaid Election, hereby certify the results thereof:

**For The Proposed Borrowing: 139**

**Against the Proposed Borrowing: 8**

The borrowing is thereby approved

*City Seal*

*Terese A. Duane*

CITY CLERK

*Amela D. Mallam*

ELECTION BOARD

*Jeanne Lauthausen*

ELECTION BOARD

*Notary Seal*

*Carroll Wilson*

NOTARY PUBLIC

*Phyllis Fox*

ELECTION BOARD

# City of Milford

## ORDINANCE 2011-26

The following ordinance is currently under review by Milford City Council:

AN ORDINANCE AUTHORIZING THE BORROWING OF FUNDS TO FINANCE THE CITY OF MILFORD'S SCADA IMPROVEMENTS AND THE DEMOLITION AND RECONSTRUCTION OF THE WASHINGTON STREET WATER TREATMENT FACILITY PLANT AND OFFICE BUILDING LOCATED ON THE SAME SITE.

### Section 1.

WHEREAS, the City Council of the City of Milford, Delaware ("Council") has been advised that up to \$4,000,000 is required to finance SCADA improvements and the demolition and reconstruction of the Washington Street Water Treatment Facility Plant and office building located on the same site.

### Section 2.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

1. The City of Milford, Delaware operates its public water system in accordance with the provisions of the State of Delaware and the Charter of the City of Milford.
2. The Council has determined that it is advisable, necessary and in the best interest of public health, safety and welfare to improve the system.
3. The Council hereby proposes unto the electors of the City that an amount of money not exceeding \$4,000,000 be borrowed to pay for the costs of the Capital Improvements and to pay the costs associated with the financing.
4. Said borrowing is expected to be accomplished through the issuance of a loan ("DWSRF loan") from the State of Delaware Drinking Water State Revolving Fund, acting by and through Delaware Health and Social Services, Division of Public Health, Office of Drinking Water.
5. The DWSRF loan proceeds will be used for SCADA improvements and the demolition and reconstruction of the Washington Street Water Treatment Facility Plant and office building located on the same site.
6. The terms of the loan shall be as follows:
  - \*Interest Rate 1%
  - \*Principal Forgiveness 35% (\$1,400,000)
  - \*1% Original Fee Due at Closing (Waived)
  - \*Twenty Year Term
7. A Public Hearing was held in the Council Chambers at City Hall, 201 South Walnut Street, Milford, Delaware on Monday, September 12, 2011 following which time City Council voted favorably upon the final authorization for the DWSRF loan.
8. A Special Election on the borrowing was held on Saturday, November 19, 2011 at Milford City Hall, where by majority vote, the electors in the City of Milford determined in favor of the loan.
9. The DWSRF loan shall be secured by the full faith and credit of the City.
10. The DWSRF loan shall be paid or funded from water revenues and reserve accounts of the City.

### Section 3.

Dates.

Introduction to City Council: November 14, 2011

Adoption Date: November 28, 2011

Effective Date: December 8, 2011

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## CITY OF MILFORD MEMORANDUM

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TO: **David Baird**  
FROM: **Don Williams**  
SUBJECT: **Transfer of Funds for Computer**  
DATE: **26 October 2011**  
CC:

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I am requesting a transfer from the Assessment Department, Accounts 101-1085-417.50-90 (*Training*-\$1000), 101-1085-417.60-10 (*Supplies*-\$500), and 101-1085-417.60-11 (*General Expense*-\$500) Totaling \$2000, to the *Computer*, Account #101-1045-429.60-12. This will allow the Enforcement & Inspection department to purchase a computer.

**STATE OF DELAWARE  
CERTIFICATE REQUESTING  
TERMINATION OF EXISTENCE  
OF PARKING AUTHORITY  
(22 Del. C. § 513)**

The Corporation organized and existing under 22 Del. C. § 501, et seq., hereby certifies as follows:

1. The name of the Corporation is Parking Authority of the City of Milford, Inc.
2. The date of filing of the Corporation's original Certificate of Incorporation was September 4, 1974.
3. The Corporation is a parking authority for the City of Milford and owns certain parking lots in Kent County and Sussex County, Delaware.
4. The Corporation has paid and discharged all bonds and debts and otherwise settled all other claims against it.
5. The Board of Directors of the Corporation has voted to convey all its property to the City of Milford and to terminate its existence.
6. The date the termination of existence was authorized is \_\_\_\_\_, 2011.
7. The names and addresses of the directors and officers of the Corporation are as follows:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
8. By recordation of this Certificate with the Office of the Recorder of Deeds in and for Kent County, Delaware, and the Office of the Recorder of Deeds in and for Sussex County, Delaware, all of the real property owned by the Corporation shall pass to the City of Milford.
9. The Corporation has paid all taxes and fees due to or assessable by this State through the end of the year in which this Certificate is filed.
10. The City of Milford approved the Certificate Requesting the Termination of the Existence of the Corporation on \_\_\_\_\_, 2011.

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By:  
Authorized Officer  
Name:  
Print or Type

APPROVED BY:

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Joseph R. Rogers, Mayor  
City of Milford

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Attest: