



DEMEC

Delaware Municipal Electric Corporation

217 Artisan Drive, P.O. Box 310, Smyrna, Delaware 19977 Ph 302 653-2733 Fax 302 653-2734

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For further information:

Patrick E. McCullar, President & CEO

DEMEC Ph: 302 653-2733

Delaware is experiencing unprecedented and continuing growth in residential and commercial development. While this economic development is good for Delaware and its citizens, the development growth is placing tremendous demands on the infrastructure of the State. Principal among these demands is reliable and adequate electric transmission infrastructure. The construction of new transmission infrastructure in our region is critically important to ensure electric reliability and to keep pace with the rapidly increasing demand for power in Delaware and the Delmarva Peninsula.

The members of the Delaware Municipal Electric Corporation* are supporting the Mid-Atlantic Power Pathway (MAPP) Transmission Project proposed by Pepco Holdings, Inc (PHI). This project represents the first significant transmission expansion in our region in over two decades. The proposed project would tie existing economic transmission and generation assets in the west to load centers on the Delmarva Peninsula. The project would provide much needed power supply and reliability to the region at the lowest cost and with the least environmental impact.

The Delmarva Peninsula has experienced significant electric transmission congestion over the past ten years, resulting in Delaware electric consumers experiencing higher costs. The MAPP project would create long-term benefits to Delaware and is critical to the future economics of its native utilities and their customers. That is, the MAPP project would:

- improve reliability on the Delmarva Peninsula by adding a south to north feed onto the peninsula providing a critical redundant electrical feed to this region.
- greatly reduce or eliminate congestion problems that have contributed to higher electricity prices for customers in Delaware.
- enable more competition and greater access to affordable generation sources, while also offsetting the impact of expected future generation plant closings.
- encourage new renewable energy wind generation construction by providing a robust transmission infrastructure to move wind power from off shore to points west.
- strengthen the system by complementing ongoing transmission upgrades to the west. It provides additional transmission paths onto the Delmarva Peninsula that will enhance transmission system security and aid during system restoration.

The members of DEMEC are the Towns of Clayton, Middletown, and Smyrna, and the Cities of Dover, Lewes, Milford, Newark, New Castle, and Seaford.

PHI's proposed transmission lines would open up a variety of new options for electricity supply throughout the Delmarva Peninsula, and generally increase the capability of the system to transfer more economic western power to our region.

The Members of Delaware Municipal Electric Corporation support the proposed MAPP Transmission Project and encourage the various planning and regulatory agencies to move this important project forward without delay. The future of economic development and reliable electric service in Delaware depends on it.

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