



STATE OF DELAWARE
DEPARTMENT OF STATE
DIVISION OF THE PUBLIC ADVOCATE



820 N. FRENCH STREET, 4TH FLOOR
WILMINGTON, DELAWARE 19801
(302) 577-5077

29 SOUTH STATE STREET
DOVER, DELAWARE 19901
(302) 241-2555

PRESS RELEASE

October 3, 2014

Contact: David L. Bonar (302) 241-2550

The Division of the Public Advocate urges all customers who are currently receiving their energy supply from suppliers other than Delmarva Power & Light Company (called Third Party Suppliers, or TPS), or who are considering switching from Delmarva to a TPS, to review their contracts carefully to make certain that they understand all of its terms and conditions – especially if the contract is a variable rate contract (a contract where the per-kilowatt hour price you pay can change from month to month with no notice to you) .

In the late 1990s, the electricity business in Delaware was restructured. Instead of being required to obtain their electric supply only from Delmarva, customers now have the opportunity to purchase energy supply from other suppliers. Delmarva continues to offer electric supply (called Standard Offer Service, or SOS), which is sold at a fixed price approved by the Public Service Commission. Delmarva also delivers energy to customers' homes and businesses, and that portion of the electric business remains subject to regulation.

This past winter, many TPS customers were surprised by exceptionally high bills - either because they did not realize they had agreed to a variable rate contract, or their contract allowed them to be moved to a variable rate contract without their express approval, or the variable rate contract they signed had no price protections. Moreover, when customers tried to cancel their TPS contracts and return to SOS, it sometimes took as long as two or three billing cycles to be returned to SOS.

If you don't understand something in your contract, call your TPS and ask questions. This is especially important if you are on a variable rate contract, or if you can be moved to a variable rate contract at the end of your initial contract term.

If you are currently a SOS customer and you are contacted by a TPS, either on the phone or in person, *do not feel like you need to make an immediate decision*. Take the time to read and understand the contract you are offered. Make sure that you know exactly what the costs are (including early termination fees or fixed monthly fees), and keep a close eye on the dates in the contract. "A TPS may offer an appealing introductory fixed price that changes to a variable rate after a period of time," said David Bonar, Delaware's Public Advocate. "If you have questions, ask before you sign."

The Division of the Public Advocate has developed a brochure to assist consumers when shopping for a TPS. You can download this brochure from our website at www.publicadvocate.delaware.gov. You can also call us at (302) 241-2555 (Dover) or (302) 577-5077 (Wilmington), or visit us at our Dover office, located at 29 South State Street, or our Wilmington office, located on the 4th floor of the Carvel State Office Building, 820 North French Street.

-0-