

Wilmington, Delaware
July 9, 2026

**Rev. 1
#0234**

Sponsor:

**Council
Member
Willauer**

WHEREAS, electricity is an essential resource upon which the health, safety, and economic well-being of Wilmington residents and businesses depend, and access to affordable, reliable energy is foundational to the quality of life for all residents of the State of Delaware; and

WHEREAS, Delmarva Power and Light Company (Delmarva Power) is the primary electric distribution utility serving the City of Wilmington and the surrounding region. The company provides electricity to more than 300,000 residential and commercial customers in the State of Delaware, many of whom have experienced significant increases in their electric bills in recent years; and

WHEREAS, in 1999, Title 26, Chapter 10 of the Delaware Code introduced the Electric Utility Restructuring plan that permanently split utility bills into two components: a regulated delivery charge, including infrastructure costs, which is still overseen by the Delaware Public Service Commission, and a deregulated supply charge for electricity itself. Delmarva subsequently began purchasing power on the open wholesale market, resulting in the transfer of 100% of price volatility, including spikes in 2006, 2022, and 2025, directly onto customers. The retail competition that was intended to lower residential rates did not meaningfully materialize; and

WHEREAS, since this time, retail electricity rates for Delmarva Power customers have risen substantially due to multiple compounding factors, including natural gas price volatility, escalating infrastructure costs, and skyrocketing capacity prices within the Pennsylvania-New Jersey-Maryland Interconnection (PJM) regional power market, which has recorded capacity

price increases of over 800 percent since 2024, driven by demand outpacing supply, the rapid growth of energy-intensive data centers, and structural flaws in PJM's market design. These regional market dynamics disproportionately burden low- and middle-income households, seniors on fixed incomes, and small businesses in Wilmington, for whom rising energy costs represent an increasingly unsustainable share of monthly expenses; and

WHEREAS, in recent years, the State of Delaware and the Delaware General Assembly have provided Delmarva Power customers with temporary rate relief and bill credits, however, these one-time initiatives can lose their efficacy when financial strains extend beyond one to two billing cycles. Sustained increases in utility rates have created persistent, recurring energy cost burdens that are difficult or impossible to manage within regular family budgets; and

WHEREAS, utility pricing and energy policy involve complex regional, national, and global market conditions, infrastructure demands, environmental considerations, and regulatory frameworks. These factors are further exacerbated by Delaware's growing prominence amongst data centers and other large energy consumers. The infrastructure and energy costs of these facilities will continue to grow, disproportionately inflating energy bills for residential consumers and small businesses and negatively impacting grid reliability; and

WHEREAS, on January 20, 2025, federal Executive Order 14156 was issued, declaring a national energy emergency. Our regional neighbors have responded accordingly. New Jersey Governor Mikie Sherrill's first two executive orders directed the Board of Public Utilities (BPU) to pause additional utility rate increases and use state funds to offset pending hikes.

WHEREAS, the City of Wilmington has a compelling interest in advocating for energy policies that provide lasting relief, promote economic stability, and advance environmental justice. Council also recognizes that ongoing collaboration among state government, utility

regulators, municipalities, and community stakeholders is essential to ensuring that Delaware's energy future is equitable, resilient, and sustainable. Governor Wes Moore and the Maryland General Assembly have worked collaboratively to pass the Utility RELIEF (Reducing Energy Load Inflation on Everyday Families) emergency measure to provide \$200 million from their Strategic Energy Investment Fund towards direct bill relief. Maryland has also instituted policy changes that translate to reduced bill surcharges for residential ratepayers and more protections against price shocks caused by demand from large energy users. Governor Josh Shapiro demanded that PECO, Pennsylvania's largest utility company, withdraw its proposed rate increase, saving customers \$510 million, or approximately \$34 per bill for some households; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON that the Council respectfully urges the Governor of the State of Delaware and the honorable members of the Delaware General Assembly to develop a strategy to provide lasting relief from rising electricity costs for Delmarva Power customers and all Delaware residents.

BE IT FURTHER RESOLVED that the Council of the City of Wilmington urges the Governor and the Delaware General Assembly to direct the Delaware Public Service Commission and relevant state agencies to study and pursue long-term reforms to the utility business model, including large load tariffs, to stabilize and reduce electricity bills over time.

Passed by City Council,

ATTEST: _____
City Clerk

SYNOPSIS: While the State has taken action to offer assistance to Delmarva customers experiencing financial strain, the impact of impending rate increases and data centers are rendering costs increasingly unsustainable. This Resolution respectfully urges the Governor of the State of Delaware and the honorable members of the Delaware General Assembly to develop a long-term strategy for affordable energy that addresses the root causes of the problem.