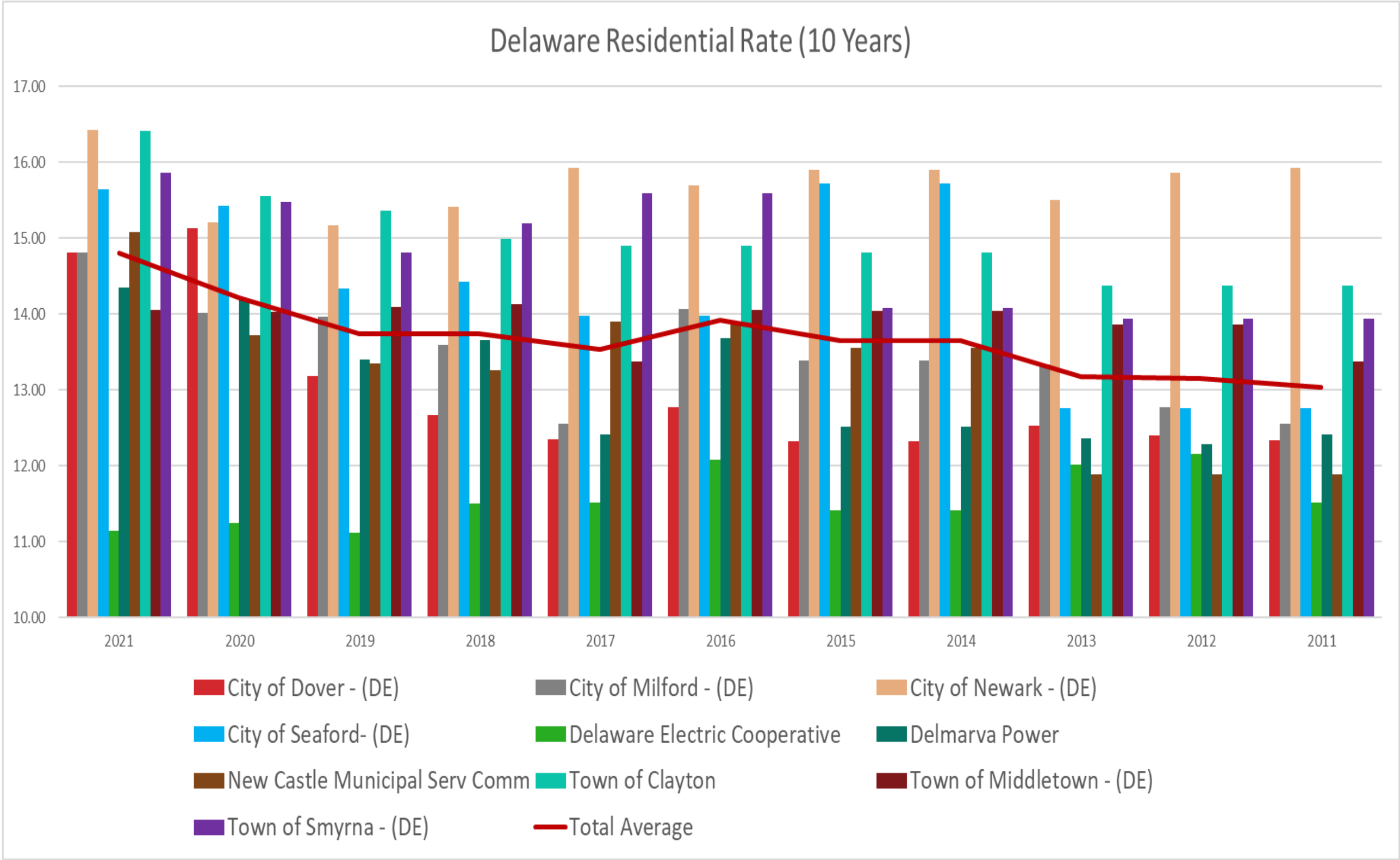


Electric Retail Rate Benchmark



2011-2021 Residential Rate Comparison

Dover's total Electric rate to customers has been among the lowest in Delaware for over a decade.



Source: U.S. Energy Information Administration

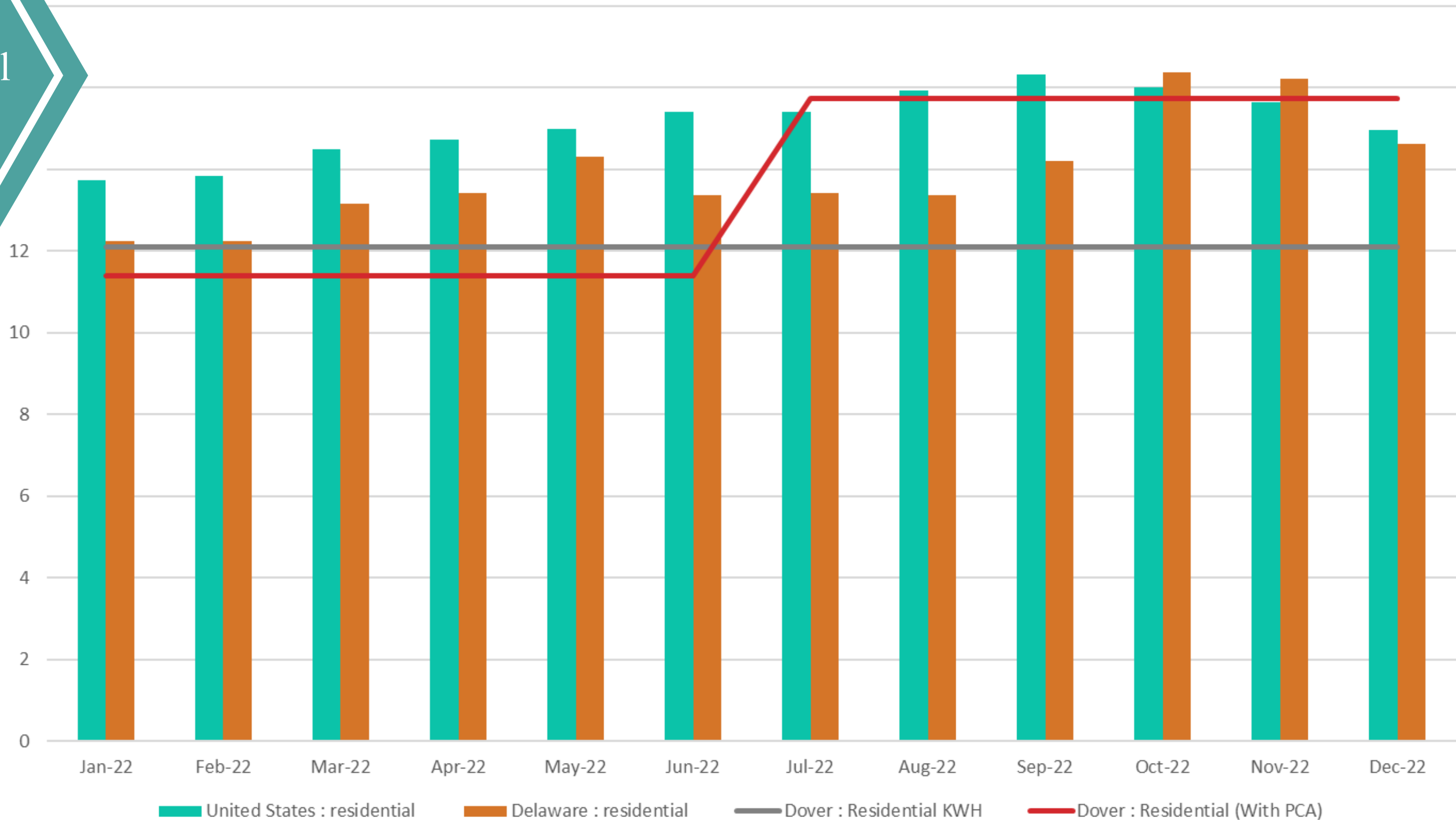
All rate data presented in this graph is taken from utilities for 861 filed with the United States Energy Information (EIA)

2022 Residential Rates

Purchased Power Adjustment (PPA)

Dover rates are designed to recover service costs and maintain financial reserves according to State and Federal regulations. In the event of unexpected cost increases or decreases, Dover can **temporarily** collect more revenue or return money to the customer. This is referred to as a Purchased Power Adjustment (PPA). The July 1st, 2022 PPA debit of \$.03 was the first in 20 years.

Delaware Average Retail Price



Over a Decade of Positive Impact

MOODY'S
Rating
Action

Fiscal Responsibility

In their 2023 report, Moody's upgraded Dover, DE's issuer rating, to Aa2 from Aa3. The rating reflects the city's growing economy, strong financial position, low long-term liabilities, and fixed costs. Despite macroeconomic headwinds, the rating agency pointed to the city's financial position as a strength.

\$32
Million
Credit

Purchased Power Adjustment (PPA)

Ten out of the last 15 years, Dover has used the PPA to credit customers. The 2023 Fiscal year is the first time since 2003 that the PPA was used as a Debit.

\$128.5
Million

Electric Transfer to General Fund

The city's operations are mostly comprised of utility operations (electric, water, and sewer), accounting for 71% of total revenues, followed by the General Fund. Additionally since 2010 Dover has contributed over \$125 Million to the General Fund from the electric fund.

31%

Reduction in Tax Rate

The Electric contribution to the general fund reduced the City's tax rate on average by 30% since 2010.

Sources:

- U.S. Energy Information Administration
- Moody's 02Feb2023 Rating Report

2010-2022 Electric Contributions

During the 2021 and 2022 fiscal years, while most utilities nationwide reduced contributions and increased rates to mitigate pressures such as inflation and rising energy costs, the City's strong reserve account balance protected Dover. They provided enough liquidity and flexibility to continue transfers to the General Fund and increase the PPA Credit to Customers.

