

**JOINT STATEMENT OF THE CITY OF DOVER
AND DOVER CHEMICAL CORPORATION**

The City of Dover and Dover Chemical Corporation are pleased to announce a resolution of their lawsuit.

The dispute arose after Dover Chemical, then one of Dover Light & Power's customers, approached the City about potentially reducing its electricity rates to closer to rates offered by competitors.

The City then enacted a 2021 ordinance imposing an electricity surcharge on Dover Chemical. Dover Chemical initiated litigation challenging the City's authority to enact the legislation. The courts determined the surcharge was improper.

During this time, the City's now-former law director made statements that there was a conspiracy involving illegal and improper conduct by City officials and Dover Chemical. The former law director made these statements to City Council and to the media. The litigation proved those statements were false. The evidence suggested the prior City administration, for its own reasons and without consulting either Dover Chemical or City Council, conveyed certain assets at Dover Chemical's facility to Dover Chemical.

Both the City and Dover Chemical want the community to know:

- 1) City Council has never seen any evidence that Dover Chemical illegally or unethically accepted electricity, materials, or services from the City.
- 2) City Council has never seen any evidence of a conspiracy or other effort on the part of Dover Chemical to demand or receive improper benefits from Dover Light & Power. There is no evidence presented which would suggest Dover Chemical was involved in any conspiracy or engaged in any illegal activity related to the transfer of equipment or otherwise.
- 3) The City, on occasion, separately charged Dover Chemical for material and services provided. Dover Chemical paid all invoices that it received.

After years of litigation, the only remaining claim was Dover Chemical's claim against the City alleging that it was charged the wrong rate and entitled to a credit for electrical service. Dover Chemical has agreed to dismiss its remaining claim against the City. The City and Dover Chemical agreed to release this statement in order to bring an end to the litigation with no further financial obligations to either party.

This statement addresses only matters between the City and Dover Chemical and is not intended to reflect any position by either party on any dispute between the City and its former administration.