

ORDER NO. 87612

IN THE MATTER OF THE
COMMISSION’S INVESTIGATION INTO
DEFAULT SERVICE FOR TYPE II
STANDARD OFFER SERVICE
CUSTOMERS

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

CASE NO. 9056

IN THE MATTER OF THE COMPETITIVE
SELECTION OF ELECTRICITY
SUPPLIER/STANDARD OFFER OR
DEFAULT SERVICE FOR INVESTOR-
OWNED UTILITY SMALL COMMERCIAL
CUSTOMERS AND FOR THE POTOMAC
EDISON COMPANY D/B/A ALLEGHENY
POWER’S, BALTIMORE GAS AND
ELECTIC COMPANY’S, DELMARVA
POWER AND LIGHT COMPANY’S AND
POTOMAC ELECTRIC POWER
COMPANY’S RESIDENTIAL
CUSTOMERS

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CASE NO. 9064

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Issue Date: June 17, 2016

To: All Parties of Record

On June 16, 2016, in Case Nos. 9056 and 9064, a hearing was held concerning the conduct and results of the June 13, 2016 Standard Offer Service (“SOS”) solicitations for a portion of the residential loads by the Potomac Edison Company (“PE”) and Type II commercial customers full requirement services by each of the State’s investor-owned electric utilities (individually, “IOU”; and collectively, “IOUs”)¹ pursuant to Order No.

¹ These IOUs are: Baltimore Gas and Electric Company; Delmarva Power & Light Company; Potomac Electric Power Company; and The Potomac Edison Company.

81019 in Case No. 9056,² Order No. 81102 in Case No. 9064,³ and Order No. 82228⁴ in Case Nos. 9056 and 9064. At the hearing, Frank Mossburg and Katherine Gottshall of Boston Pacific Company, Inc. (“Bid Monitor”) testified on the conduct and results of the SOS solicitations for each IOU and Phillip E. VanderHeyden of Commission Staff (“Staff”) testified on the estimates of bill impacts given the results of the June 13, 2016 SOS bidding.

The Bid Monitor testified that the June 13, 2016 bid solicitation was for full requirements service for six different products among the IOUs, and that in response to the solicitation for the entire RFP,⁵ approximately 5.3 megawatts (“MW”) were bid for every MW needed overall. Further, the Bid Monitor testified that the implementation of the Price Anomaly Threshold (“PAT”) for the residential products did not lead to the rejection of any winning bids. The Bid Monitor recommended that the Commission accept the results of the June 13, 2016 bid day. The recommendation was based on the following points: (1) the winning prices were consistent with broader market conditions; (2) the RFP was sufficiently competitive; (3) the RFP was open, fair, and transparent; and (4) there were no violations of RFP rules or regulations.

² Order No. 81019 dated August 28, 2006, *In the Matter of the Commission’s Investigation into Default Service for Type II Standard Offer Service Customers*, Case No. 9056. The Commission denied an application for rehearing by Order No. 81093, dated November 2, 2006.

³ Order No. 81102 dated November 8, 2006, *In the Matter of the Competitive Selection of Electricity Supplier/Standard Offer or Default Service for Investor-Owned Utility Small Commercial Customers; and for the Potomac Edison Company d/b/a Allegheny Power’s, Delmarva Power and Light Company’s and Potomac Electric Power Company’s Residential Customers*, Case No. 9064.

⁴ Order No. 82228 dated September 12, 2008, *In the Matter of the Commission’s Investigation into Default Service for Type II Standard Offer Service Customers*, Case No. 9056, and *In the Matter of the Competitive Selection of Electricity Supplier/Standard Offer or Default Service for Investor-Owned Utility Small Commercial Customers; and for the Potomac Edison Company d/b/a Allegheny Power’s, Delmarva Power and Light Company’s and Potomac Electric Power Company’s Residential Customers*, Case No. 9064.

⁵ The Bid Monitor defined “RFP” as “the [2015 -] 2016 Request for Proposal.” Direct Testimony of Frank Mossburg and Katherine Gottshall, Boston Pacific Company, Inc. on behalf of the Staff of the Public Service Commission of Maryland (admitted as Staff Exhibit 1), p. 2, line 11.

No party offered any testimony rebutting the Bid Monitor's testimony or commented on the Bid Monitor's recommendation. Accordingly, the Commission accepted the results of the June 13, 2016 bid day, and took no action on the award of the contracts for the bids found to be acceptable.

IT IS THEREFORE, this 17th day of June, in the year Two Thousand Sixteen, by the Public Service Commission of Maryland,

ORDERED: (1) That the four Maryland investor-owned electric utilities may proceed to finalize the June 13, 2016 contracts awarded in accordance with the procedures set forth in the 2015-2016 Request for Proposals and applicable Commission Orders.

By Direction of the Commission,

/s/ David J. Collins

David J. Collins
Executive Secretary