

ORDER NO. 89554

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

CASE NO. 9064

Issue Date: May 1, 2020

1. On April 30, 2020, in Case Nos. 9056 and 9064, a virtual hearing was held concerning the conduct and results of the April 27, 2020 Standard Offer Service (“SOS”) solicitations for residential customers of the Potomac Edison Company 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 of Bates White, LLC (“Bid Monitor”) testified on the conduct and results of the SOS solicitations for each IOU and David Hoppock of Commission Staff (“Staff”) testified on the estimates of bill impacts given the results of the April 27, 2020 SOS bidding.

2. The Bid Monitor testified that the April 27, 2020 bid solicitation was for full requirements service for ten different products among the four IOUs and that in response to the solicitation for the entire Request for Proposals (“RFP”), approximately 4.5 megawatts (“MW”) were bid for every MW needed overall. The Bid Monitor recommended that the Commission accept the results of the April 27, 2020 bid day. The recommendation was based on the following points: (1) the winning prices were consistent with broader market conditions, and the bid monitor did not reject any winning bids due to the Price Anomaly Threshold; (2) the RFP was sufficiently competitive, with fourteen bidders participating in at least one offering, nine bidders winning a share of supply, and the entire supply of each product fully subscribed; (3) the RFP was open, fair, and transparent, with each bidder signing the same contract and each bid judged solely according to price; and (4) the process adhered to procedures laid out in the RFP

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.

and Commission Orders.⁵

3. No party offered any testimony rebutting the Bid Monitor's testimony or commented on the Bid Monitor's recommendation. Accordingly, the Commission accepts the results of the April 27, 2020 bid day, and takes no action on the award of the contracts for the bids found to be acceptable.

IT IS THEREFORE, this 1st day of May, in the year Two Thousand Twenty, by the Public Service Commission of Maryland,

ORDERED: (1) That the four Maryland investor-owned electric utilities may proceed to finalize the April 27, 2020 contracts awarded in accordance with the procedures set forth in the 2019 – 2020 Request for Proposals and applicable Commission Orders.

By Direction of the Commission,

/s/ Andrew S. Johnston

Andrew S. Johnston
Executive Secretary

⁵ Staff Exhibit 1, Direct Testimony of Frank Mossburg of Bates White, LLC on behalf of the Staff of the Public Service Commission of Maryland, dated April 20, 2020, at 2-3 and 4-8.