

**ORDER NO. 88164**

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

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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

**Issue Date: April 28, 2017**

**To: All Parties of Record**

On April 27, 2017, in Case Nos. 9056 and 9064, a hearing was held concerning the conduct and results of the April 24, 2017 Standard Offer Service (“SOS”) solicitations for residential customers and Type I and Type II commercial customers full requirement services by each of the State’s investor-owned electric utilities (individually, “IOU”; and collectively, “IOUs”)<sup>1</sup> pursuant to Order No. 81019 in Case No. 9056,<sup>2</sup> Order

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

<sup>2</sup> 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.

No. 81102 in Case No. 9064,<sup>3</sup> and Order No. 82228<sup>4</sup> in Case Nos. 9056 and 9064. At the hearing, Mr. James Letzelter of the Liberty Consulting Group (“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 April 24, 2017 SOS bidding.

The Bid Monitor testified that the April 24, 2017 bid solicitation was for full requirements service for ten different products among the IOUs, and that in response to the solicitation for the entire RFP, approximately 5.38 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 and Type I products did not lead to the rejection of any winning bids. The Bid Monitor recommended that the Commission accept the results of the April 24, 2017 bid day. The recommendation was based on the following points: (1) the winning prices were consistent with prevailing market conditions; (2) the winning bids fell under the PAT; (3) the process was performed fairly and there were no violations of RFP rules or regulations; and (4) there was sufficient competition from suppliers overall.

No party offered any testimony rebutting the Bid Monitor’s testimony or commented on the Bid Monitor’s recommendation. Accordingly, the Commission

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<sup>3</sup> 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.

<sup>4</sup> 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.

accepted the results of the April 24, 2017 bid day, and took no action on the award of the contracts for the bids found to be acceptable.

**IT IS THEREFORE**, this 28th day of April, in the year Two Thousand Seventeen, by the Public Service Commission of Maryland,

**ORDERED:** (1) That the four Maryland investor-owned electric utilities may proceed to finalize the April 24, 2017 contracts awarded in accordance with the procedures set forth in the 2016 - 2017 Request for Proposals and applicable Commission Orders.

By Direction of the Commission,

*/s/ David J. Collins*

David J. Collins  
Executive Secretary