

No. 81102 in Case No. 9064,³ and Order No. 82228⁴ in Case Nos. 9056 and 9064. Counsel for the Commission's Technical Staff ("Staff"), the Maryland Office of People's Counsel ("OPC") and Delmarva Power and Light Company ("DPL") entered their appearances at the beginning of the hearing. At the hearing, Mr. 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 Staff testified on the estimated bill impacts given the results of the October 21, 2019 SOS bidding.

The Bid Monitor testified that the October 21, 2019 bid solicitation was for full requirements service for eleven different products among the IOUs and that in response to the solicitation for the entire RFP, approximately 5.1 megawatts ("MW") were bid for every MW needed overall. The Bid Monitor recommended that the Commission accept the results of the October 21, 2019 bid day. The recommendation was based on the following points: (1) the winning prices were consistent with broader market conditions; (2) the winning residential/Type I bids fell under the PAT; (3) the RFP was open, fair, and transparent; and (4) there was sufficient competition from suppliers overall.

The Bid Monitor did note that although the RFP was successful, one issue did occur that was related to DPL's bid award. Essentially, DPL mistakenly told the two

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.

winning DPL residential suppliers that they had not won any supply. DPL realized the mistake the morning of October 22, 2019 and contacted the winners, but by that time one bidder was not willing to honor its bid, citing overnight increases in market prices. The Bid Monitor reported that under the RFP rules, there was no obligation for the supplier to hold to a bid that had been rejected. DPL alerted the Bid Monitor to the issue and, after consultation, proceeded to contact the bidder with the next most inexpensive offer to see if that bidder would agree to hold to its bid. The bidder agreed and the supply was fulfilled. The Bid Monitor testified that it believes it was fair to use offers from the bid day to fulfill the supply as the bids were made under competitive conditions and the final price was below the PAT. Bates White LLC also committed to work with DPL and the other Maryland utilities to establish additional procedures to ensure that this sort of complication does not happen again.

No party opposed the Bid Monitor's recommendation. Counsel for DPL commented that the Bid Monitor and Staff witness Hoppock characterized the DPL issue correctly and stated that its customers would be held harmless due to the initial error in DPL's residential bid award. At the close of the hearing, the Commission took the matter under advisement.

After further review of the testimony from the Bid Monitor and Staff, the Commission accepts the results of the October 21, 2019 bid day.

IT IS THEREFORE, this 25th day of October, in the year Two Thousand Nineteen, by the Public Service Commission of Maryland,

ORDERED: That the four Maryland investor-owned electric utilities proceed to finalize the October 21, 2019 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,

David J. Collins
Acting Executive Secretary