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PUBLIC SERVICE COMMISSION

August 9, 2012

In the Matter of the Investigation into the \*  
Just and Reasonableness of Rates as \*  
Calculated under the Bill Stabilization \* Case No. 9257  
Adjustment Rider of Potomac Electric \*  
Power Company \*  
\*  
\*

In the Matter of the Investigation into the \*  
Just and Reasonableness of Rates as \*  
Calculated under the Bill Stabilization \* Case No. 9258  
Adjustment Rider of the Southern \*  
Maryland Electric Cooperative \*  
\*  
\*

In the Matter of the Investigation into the \*  
Just and Reasonableness of Rates as \*  
Calculated under the Bill Stabilization \* Case No. 9259  
Adjustment Rider of Delmarva Power & \*  
Light Company \*  
\*  
\*

In the Matter of the Investigation into the \*  
Just and Reasonableness of Rates as \*  
Calculated under the Baltimore Gas and \* Case No. 9260  
Electric PSC MD E-6, Rider 25 - \*  
Monthly Rate Adjustment \*  
\*  
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NOTICE OF HEARING AND REQUEST FOR COMMENTS

To: Service List in Case Nos. 9257, 9258, 9259, and 9260

The above-captioned proceedings examined whether these Companies should be prohibited from collecting decoupling revenue, known as the Bill Stabilization Adjustment (“BSA”), if service is not restored within a certain period of time after a Major Outage Event as defined by Code of Maryland Regulations (“COMAR”) 20.50.01.03.B(27). On January 25, 2012, in Order 84653, the Maryland Public Service Commission (“Commission”) found that the BSA did not appropriately align the Companies financial incentives with reliability goals, and directed that it be modified to prevent the imposition of the BSA surcharge for revenue losses beginning 24 hours after the commencement of a Major Outage Event and continuing until all storm related sustained interruptions were restored.

On June 29, 2012, a rare “derecho” thunderstorm containing hurricane force winds struck the State of Maryland, resulting in the loss of electrical power to hundreds of thousands of residents for a period of up to eight days. During and after that storm, the Commission received numerous comments from citizens asking it to prevent the Companies from collecting the BSA surcharge for even the first 24 hours of a Major Outage Event. In response to these requests, the Commission will re-examine whether the Companies should collect the BSA surcharge for the first 24 hours of a Major Outage Event at a hearing on September 24, 2012 beginning at 1:00 p.m. in the Commission’s 16th Floor Hearing Room, Williams Donald Schaefer Tower, 6 St. Paul Street, Baltimore Maryland 21202. Parties may file written comments on this issue by Wednesday, September 19, 2012. An original and seventeen copies of the comments, together with an electronic copy, shall be submitted to David J. Collins, Executive Secretary, Maryland Public Service Commission, William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, Maryland 21202. Five of the paper copies shall be three-holed punched. The Commission encourages parties to use the Commission’s “e-Filing” system for submission of the electronic copy of the filing. Details of the “e-Filing” system are on the Commission’s web page, [www.psc.state.md.us](http://www.psc.state.md.us).

By Direction of the Commission,

*/s/ David J. Collins*

David J. Collins  
Executive Secretary