Updated: 06/07/2019

2019
MARYLAND STANDARD OFFER SERVICE
REQUEST FOR PROPOSALS FOR
FULL REQUIREMENTS WHOLESALE ELECTRIC POWER SUPPLY

QUESTIONS AND ANSWERS

GENERAL QUESTIONS

DATE POSTED	QUESTION	ANSWER
09/14/2018	**Q1.** **Who has the Maryland Public Service Commission chosen as a consultant for this procurement process?**	A1. The Maryland Public Service Commission has chosen Liberty Consulting Group.
10/15/2018	**Q2.** **Will standard offer service suppliers be responsible for providing Offshore Wind Renewable Energy Credits as a result of MD PSC Order 88192 referenced below? If so, what is the soonest date that suppliers could be responsible for providing the Offshore Wind component of the RPS obligation?** **Reference: https://www.psc.state.md.us/wp-content/uploads/Order-No.-88192-Case-No.-9431-Offshore-Wind.pdf**	A2. Yes, SOS suppliers will be responsible for providing Offshore Wind Renewable Energy Credits ("OREC") as a result of MD PSC Order 88192 referenced below. Please see Section 4.4 and Exhibit B in the Full Requirement Service Agreement. The Maryland Utilities have no additional information on when the OREC obligation will begin beyond what the Commission has already provided.

10/17/2018	**Q3.** **Will Maryland standard offer service suppliers be responsible for any potential increases in the cost of reserves such as those discussed in the following PJM presentation on reforms related to consolidating Tier I and Tier 2 reserves and changing the Operating Reserve Demand Curve?** **https://www.pjm.com/-/media/committees-groups/task-forces/epfstf/20180926/20180926-item-04-simulation-results-pjm-proposal.ashx**	A3. Per section 2.4 of the FSA, the supplier bears the risk of changes to PJM products and pricing with the exception of Network Integration Transmission Service and Distribution Service as defined in Section 2.3
10/18/2018	**Q4.** **Is the new line 1108A the responsibility of the Buyer or Seller?**	A4. Billing Line Item 1108A will be the responsibility of the Buyer and will be handled as a billing line item transfer described in Exhibit D of the FSA.
11/07/2018	**Q5.** **The pre-bid security requirement appears to be $600,000 per block, regardless of the size of block. Is it true that the pre-bid collateral is the same for the 3-month Type II as well as the 12- and 24-month Residential product?** **On a related note, it appears that the rounding amount is $250,000 when determining the Performance Assurance amount, meaning that if the MTM exposure were $10,000, a supplier would need to provide $250,000 in collateral. Is this correct?**	A5. Yes, per section 3.9 of the RFP…*For rated bidders the amount of the bid assurance collateral is $300,000 per bid block. For unrated bidders who do not have a rated Guarantor, or whose Guarantor is not capable of executing a Guaranty on behalf of the bidder, the amount of the bid assurance collateral is $600,000 per bid block.* The amount of collateral required is per bid block regardless of size of block and product type. Yes, per section 14.1 of the Full Requirements Service Agreement…*With respect to Aggregate Transactions, if at any time and from time to time during the term of this Agreement, Aggregate Buyer's*

		Exposure exceeds the Unsecured Credit on any Business Day, then Buyer shall request that Seller post Performance Assurance in an amount equal to the amount by which Aggregate Buyer's Exposure exceeds the Unsecured Credit (rounding upwards to the nearest $250,000), less any Performance Assurance already posted with Buyer. Subsequent and incremental requests for Performance Assurance shall be in $250,000 increments. Buyer's request for Performance Assurance shall not be disputed by Seller.
1/16/2019	**Q6.** **After reading the FSA, RFP FAQs, Public Utilities Article 7-306.2, the Community Solar Pilot Program of the Maryland PSC website and utilities tariffs, it is still not clear to us as to the exact impact a community solar project will have on the Full Requirements Service obligation of a winning supplier ("Seller") under the 2019 Full Requirements Service Agreement. As a result, we would like to submit the following questions:** **Under Public Utilities Article 7-306.2 (d) (7) it states that any unsubscribed energy generated by a community solar project shall be purchased by the respective utility at the amount it would have cost the utility to procure the energy, and in Article 7-306.2 (d) (8) it states that the energy generated from a community solar project will be used to offset purchases from**	A6. *The entirety of the output from the Community Solar project(s) will offset EDC Zonal SOS Load. Since EDC Zonal SOS load is offset by Community Solar generation; it could potentially reduce Seller's Energy, Capacity, Ancillary Services and Renewable Energy obligations associated with the SOS Load. SumOfkWh_Premise_With_UFE will be offset by Community Solar generation which, in turn, could potentially reduce SOS payments to supplier.*

	wholesale electricity suppliers for standard offer service. Is the amount that is used to offset purchases from a wholesale electricity supplier for standard offer service (i) the entirety of the output from the community solar project, or (ii) the portion that is unsubscribed, or (iii) the portion that is subscribed by SOS customers, or (iv) some other combination that is less than the entirety of the project? **Under the 2019 Full Requirements Service Agreement, a Seller is paid the price listed in the Transaction Confirmation on the volumes associated with "SOS Load" (total sales at the retail meter plus UFE) multiplied by the Base Load Percentage associated with the award. In turn, the Seller's obligation is to meet the Energy, Capacity, Ancillary Services and Renewable Energy obligations associated with the SOS Load. Which of these items will a community solar project impact? Will it reduce the SOS Load on which the Seller is paid? Will it also reduce the corresponding Energy, Capacity, Ancillary Services and Renewable Energy obligations associated with the SOS Load, or will it only impact a subset of these items? If it is a subset, which ones will it impact?**	

04/11/2019	**Q7.** **Did the Maryland General Assembly pass any bills during the 2019 session related to utility Standard Offer Service?**	A7. Yes. Senate Bill 516, the Clean Energy Jobs Act, was passed. Among other things, SB 516 makes certain changes to Maryland's Renewable Energy Portfolio Standard Program. The utilities don't know when, or if, the Governor will sign the bill. The bill is available for review at: **http://mgaleg.maryland.gov/2019RS/bills/sb/sb0516E.pdf.** The Maryland Electric Distribution Companies do not express any opinion as to what, if any, impact the bill will have on previously executed or prospectively executed SOS agreements, however should it be determined by the Maryland Public Service Commission or other applicable jurisdictional entity that such agreements are impacted, Section 4.4 of the 2019 FSA addresses a supplier's RPS compliance, including changes to the RPS.
06/04/2019	**Q8.** **1. Due to the fact that Maryland recently passed legislation that will significantly increase the RPS cost to serve the upcoming auction load, will you be supplying guidance on how to account for these new, additional costs?** **2. Will winning suppliers in the upcoming June 2019 Maryland RFP be responsible for providing the increased renewable energy requirements that result for the recently**	A8. The Maryland Electric Distribution Companies do not express any opinion as to what, if any, impact the bill will have on previously executed or prospectively executed SOS agreements. A supplier's renewable energy obligation is set-forth in Exhibit B of the Full Requirements Service Agreement (FSA) at time of the Request-For-Proposals (RFP) issuance, for the supply period covered by the FSA and RFP. Any subsequent changes to the renewable energy law(s) will be incorporated into the FSA in the next procurement cycle. Please refer to Article 4.4 Renewable Energy Obligation, of the FSA for additional

	passed legislation in Maryland referenced here: https://governor.maryland.gov/wp-content/uploads/2019/05/RPS-Letter-to-President-Miller-5-22-19.pdf	information on renewable energy law changes, supplier responsibility and cost recovery associated with such changes which may occur during the supply period covered by the FSA.

SEPTEMBER 20, 2018 PRE-BID WEBINAR

QUESTIONS AND ANSWERS

DATE POSTED	QUESTION	ANSWER
09/20/2018	**Pre-Bid Q1.** **How can I get a copy of the webinar presentation?**	Pre-Bid A1. The pre-bid webinar presentation is posted on each of the MD Utilities RFP websites.
09/20/2018	**Pre-Bid Q2.** **Where can I find what products will be procured and when? Slide 13 is unclear.**	Pre-Bid A2. You can find more detail on the bid plans on each Utilities RFP website. Specifically, in Sections 2.2 and 2.3 of the RFP document. Please note that the bid plans are updated and posted prior to each RFP.

POTOMAC EDISON-SPECIFIC QUESTIONS

DATE POSTED	QUESTION	ANSWER
09/14/2018	**PE Q1.** **The Historical PLC files for each Type (Residential, Type I, Type II) are no longer posted in the Load Data section of the website. Where can I find this information?**	PE A1. The Historical PLC files by Type have been consolidated into one file named *Historical PLC by Type*.

DELMARVA POWER AND PEPCO-SPECIFIC QUESTIONS

DATE POSTED	QUESTION	ANSWER
10/18/2018	**PHI Q1.** **We noticed that the historical load data for "DPL MD ELIG - TYPE I - OL & ORL" has a weird hourly shape after Jan2018.** **After Jan2018, there is a usage spike during HE21. It does not align with data from previous years, which had a smooth high usage during night time, and nearly zero usage during day time.** **Can you explain why the load shape of "DPL MD ELIG - TYPE I - OL & ORL" changed drastically after Jan2018?**	PHI A1. The profiling method used for DPL MD OL & ORL class was changed starting with the 1/1/18 settlement B data. Upon further investigation, the new profiling method for this class is incorrect. Starting with the August 2018 settlement B data, the old profile method will be used for this class. The data from 2017 is representative of what the OL & ORL hourly loads should look like.
4/9/2019	**PHI Q2.** **For the PEPCO Type 2 ARR Values, could you please confirm that the MW in column C (attached for your convenience) are ARR MW's and not NSPL MWs? The reason I ask is that the MW total in the file is 211.8 MW whereas the NSPL as of March 1st is 214.9 MW.** **The PEPCO Zonal Base Load for 2019/2020 Stage 1A ARR Allocation for PY 19/20 was 2,790.4 MW as compared to an NSPL of 6,412 MW so the Stage 1A award should be ~94 MW. Was PEPCO awarded an additional ~118 MW between the Stage 1B and Stage 2 rounds?**	PHI A2. The file attached shows the breakdown between Stage 1A and Stage 1B. Column C are Cleared ARR MW's. In Stage 1A we bid and cleared 93.4 MW In Stage 1B we bid and cleared 118.4 MW

4/9/2019	**PHI Q3.** **One follow up question I have is whether the DPL and PEPCO values have already been scaled to match the Summer 2018 Weather Normalized Coincident Peaks. If not, could you please provide the corresponding daily zonal scaling factors?**	PHI A3. Yes. The values have been scaled.
04/10/2019	**PHI Q4.** **It seems that the Hourly Load Data for DPL MD ELIG Type I SGS-S is less than DPL MD SOS Type I SGS-S in April-June the last few years. Is this due to BTM generation? If so, could you provide the BTM generation data separately? If not, why is SOS data not always less than ELIG?**	PHI A4. We reviewed the hourly load for the months of April – June in 2017 and 2018 which reflects that the Eligible load is higher than the SOS. Perhaps you're confusing it with the ALT (retail supplier) load.
04/10/2019	**PHI Q5.** **Will you post CPLC, NSPLC and Customer Counts files for DPLMD and PEPMD as of April before the bid date?** **Also, is there an "as-of-date" for the 19/20 data in DPL Capacity Report 2019-06-01.xlsx and Preliminary Pepco CPLC, NSPLC and customer counts 2019-06-01.xlsx?**	PHI A5. The data has been posted. The 6/1/2019 PLC data file was run as of 1/4/2019.
06/04/2019	**PHI Q6.** **a. It seems that the Hourly Load Data for DPL MD ELIG Type I SGS-S is less than DPL MD SOS Type I SGS-S in April-June the last few years. Is this due to BTM generation?**	PHI A6. a. Yes b. No. We receive the data from another system, and it would be prohibitively difficult to format the data into a useful report. c. For the hours that turned out

	b. If so, could you provide the BTM generation data separately? **c. If not, why is SOS data not always less than ELIG?**	negative, the NEM gen exceeded the load delivered in the ALT supplier category. Since the formula is SOS + ALT = ELIG the ELIG became less than SOS.
6/7/2019	**PHI Q7.** **For GS-P Eligible load, we've noticed a meaningful increase in load levels starting in the 2nd half of 2018. There is almost a 20% increase over the same period (July – December) in 2017. The difference, as compared to the prior year, increases in January 2019, which is 40% greater than January 2018. The magnitude of the load increase in not explained by weather, and cannot be seen in the customer counts. We noted that the Eligible GS-P customer count as of June 1, 2017 was 141 and as of January 31, 2019 it had increased to 146, a mere 3.5% increase. Could you provide an explanation as to the reason for this increase in load levels within this class?**	PHI A7. From our investigation the increase is due to the 6 accounts that were added to GS-P and a gradual increase in loads for GS-P as a whole. The behavior of this rate class shows monthly fluctuations.

BALTIMORE GAS & ELECTRIC-SPECIFIC QUESTIONS

DATE POSTED	QUESTION	ANSWER