ORDER NO. 81603

IN THE MATTER OF THE COMMISSION'S		BEFORE THE
INVESTIGATION INTO DEFAULT SERVICE FOR	*	PUBLIC SERVICE COMMISSION
TYPE II STANDARD OFFER SERVICE CUSTOMERS		OF MARYLAND
	*	
IN THE MATTER OF THE COMPETITIVE		
SELECTION OF ELECTRICITY SUPPLIER/	*	CASE NO. 9056
STANDARD OFFER OR DEFAULT SERVICE FOR		
INVESTOR-OWNED UTILITY SMALL	*	
COMMERCIAL CUSTOMERS AND ALLEGHENY		
POWER, DELMARVA POWER AND LIGHT AND	*	
POTOMAC POWER RESIDENTIAL CUSTOMERS		CASE NO. 9064
	*	

September 11, 2007

On July 25, 2007, the Public Service Commission's Technical Staff filed a Report on the 2007 Standard Offer Service ("SOS") Procurement Improvement Process ("Report"). The Office of People's Counsel ("OPC") filed comments on the Report, reiterating OPC's opposition to the existing SOS procurement method. Direct Energy also filed a non-substantive revision to Appendix 5 of the Request for Proposals appended to the Report.

The Commission held a hearing on the Report on September 5, 2007. In light of the need to ensure the continuity of SOS electricity supply procurement, the Commission hereby approves the modifications to the SOS procurement process contained in the Report, including the proposed bidding schedule contained therein.

The Commission is mindful of the concerns and issues raised by OPC. In this regard, the Commission observes that it has docketed Case No. 9117 for the purpose of considering possible changes to residential and small commercial SOS procurement

methods in Maryland.¹ Accordingly, the Commission's approval of the SOS procurement process set forth in the Report is subject to the understanding that the Commission may alter the SOS procurement schedule and process to comply with its decision in Case No. 9117.

By Direction of the Commission,

/s/O. Ray Bourland

O. Ray Bourland Executive Secretary

¹ In the Matter of the Commission's Investigation of Investor-Owned Electric Companies' Standard Offer Service for Residential and Small Commercial Customers in Maryland, Case No. 9117.