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FOR IMMEDIATE RELEASE

Electric Standard Offer Service Rates Decrease for Some Customers

(Baltimore)—The Maryland Public Service Commission has accepted quarterly Standard Offer Service (SOS) bids for large commercial and industrial classes of electricity customers and interim results for residential and small commercial classes of the Potomac Edison Co (PE). The bid results reflect an overall decrease in rates.

At the January 12, 2012, hearing for Cases 9056 and 9064, Commission staff and expert witnesses provided testimony on the impact on customer bills after the January 9 SOS bidding. The large commercial customers for Baltimore Gas and Electric, Delmarva Power and Light Company, Pepco and PE are expected to see double-digit cost reductions for the period beginning in March through May 2012, compared with the same period in 2011. Small commercial customers served by PE are expected to realize a rate decrease of about 15% annually, subject to similar results from an additional round of bidding in April 2012. Residential customers served by PE are also expected to realize an annual rate decrease over last year's same period, which could result in average savings of \$94.00.

In its Order No. 84609, the Commission noted that "the winning prices were consistent with broader market conditions" and that the process was competitive, transparent, and that no rules or regulations were violated.

Utility companies purchase SOS electricity from wholesale suppliers according to a competitive bidding process regulated by the Commission. Residential and small commercial SOS bids occur twice a year, and contracts are awarded to the lowest bidders. Large commercial bids are received quarterly on the same bases, for new rates that go into effect each March, June, September and December.

Under Maryland regulation, the utilities post on their websites their retail prices, along with a list of the electricity suppliers.

Order 84609 is available on the Commission's website, www.psc.state.md.us. Residential and small commercial bids will be completed in April 2012, for the 12-month period that begins in June.

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