

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1325 G STREET N.W., SUITE 800
WASHINGTON, D.C. 20005**

PUBLIC NOTICE

August 8, 2024

FORMAL CASE NO. 1017, IN THE MATTER OF THE DEVELOPMENT AND DESIGNATION OF STANDARD OFFER SERVICE IN THE DISTRICT OF COLUMBIA,

1. The Public Service Commission of the District of Columbia (“Commission”) hereby gives notice that on August 1, 2024, the Potomac Electric Power Company (“Pepco” or “Company”), acting in its role as the Standard Offer Service (“SOS”) Administrator, filed, on behalf of the SOS Working Group, the proposed Wholesale Full Requirements Service Agreement (“WFRSA”) and Request for Proposals (“RFP”) for the 2024-2025 SOS solicitation pursuant to 15 DCMR § 4101.3.¹

2. On June 27, 2024, Pepco, as the SOS Administrator, convened an SOS Working Group meeting to discuss changes to the 2024-2025 SOS RFP and WFRSA. Prior to the submission of the RFP and WFRSA for the upcoming SOS solicitation, the Company convenes the SOS Working Group to consider whether and to what extent the WFRSA and RFP should be revised or updated. Each year by August 1, the SOS Administrator must file a WFRSA and RFP for the upcoming SOS solicitation.²

3. In its August 1, 2024, filing, Pepco proposes three (3) changes to the 2024-2025 RFP and three (3) changes to the 2024-2025 WFRSA.³ Constellation proposed a change to Article 7.1 of the WFRSA, on the Zonal Net Load Price, at the SOS Working Group meeting.⁴ Additionally, Pepco proposed using the same method to set the capacity proxy price as it has done for the past few years. This capacity proxy price is based on the average of the two most recent auction results multiplied by 0.9. In this case, the capacity proxy price would be changed to \$144.01/MW-day.

4. Pepco proposes the following changes to the 2024-2025 RFP:

¹ *Formal Case No. 1017, In the Matter of the Development and Designation of Standard Offer Service in the District of Columbia*, Standard Offer Service Working Group’s Wholesale Full Requirements Service Agreement and Request for Proposals for the 2024-2025 SOS Solicitation, filed August 1, 2024 (“SOS Working Group’s Proposed WFRSA and RFP”).

² “The SOS Administrator shall submit to the Commission by August 1 of the previous year, specific procurement format, form of request, process, timeline, evaluation process, evaluation criteria, and model contract for Wholesale Full Requirements Service supply of SOS for Commission approval.” 15 DCMR § 4101.3.

³ SOS Working Group’s Proposed WFRSA and RFP.

⁴ SOS Working Group’s Proposed WFRSA and RFP at 2.

- a. Section 2.1, “Services Requested,” advises suppliers to incorporate an updated capacity proxy price of \$144.01/MW-day into their offers to supply Residential and Small Commercial full-requirements wholesale service for each month in the contract term that the Zonal Net Load Price for capacity resulting from the Base Residual Auction is unknown at the time suppliers provide their offers in an SOS auction;⁵
 - b. Section 4.2, “Submittal of Proposals,” has been revised to reflect a new time for proposals to be received from suppliers. Proposals for each tranche will be due at 5 pm of the business day prior to the auction;⁶ and
 - c. Appendix A, “2024-2025 Implementation Timeline,” was modified with a revised timeline.⁷
5. Pepco proposes the following changes to the 2024-2025 WFRSA:
- a. Article 7.1(j), “Billing,” updated the proxy capacity price for suppliers to incorporate a price of \$144.01/MW-day into their offers to supply full-requirements wholesale service;⁸
 - b. Article 7.1(j), “Billing,” has the following addition:

“IF, AND ONLY IF a PJM BRA’s Preliminary Zonal Net Load Price used to calculate the capacity price is published for a Delivery Year being procured in the RFP Cycle, and is then revised, the Utility will establish a true-up for impacted months within contracts by Supplier. The true-up will be an additional line item on the SOS Invoice and will show a supplemental capacity payment or charge. This will be calculated as the Final Zonal Net Load Price (published by PJM after the results are available from the 3rd Incremental Auction for the relevant Delivery Year) minus the originally published PJM Preliminary Zonal Net Load price (BRA at the time of the SOS auction when a Capacity Proxy Price was not in use for the published PJM BRA price);”⁹ and

⁵ SOS Working Group’s Proposed WFRSA and RFP at 1. For Tranche 1, suppliers will use the proxy price for 2026/2027 and 2027/2028 delivery years. For Tranche 2, suppliers will use the proxy price for the 2027/2028 delivery year only, barring any changes to the Capacity auction schedule posted on PJM’s website.

⁶ SOS Working Group’s Proposed WFRSA and RFP at 1.

⁷ SOS Working Group’s Proposed WFRSA and RFP at 2.

⁸ SOS Working Group’s Proposed WFRSA and RFP at 2.

⁹ SOS Working Group’s Proposed WFRSA and RFP at 2. This addition to Article 7.1 was based on Constellation’s proposed changes made during the June 27, 2024, SOS Working Group and Supplier meeting.

- c. Exhibit G, “Form of Notice,” has been revised to reflect new contacts for the form of notice.¹⁰

6. All persons interested in commenting on Pepco’s proposed WFRSA and RFP may submit written comments no later than seven (7) days after the Commission’s issuance of this Public Notice. Comments are to be sent electronically and addressed to Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street N.W., Suite 800, Washington, D.C. 20005. Copies of the proposed WFRSA and RFP may be obtained by visiting the Commission’s website at <https://dcpsec.org/>. Once at the website, open the “eDocket System” tab, click on “Search Current Dockets,” and input “FC1017” as the case number. Copies may also be purchased at cost by contacting the Commission Secretary at the address provided above. Persons with questions concerning this Notice should call (202) 626-5150 or send an email to psc-commissionsecretary@dc.gov.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

¹⁰ SOS Working Group’s Proposed WFRSA and RFP at 2.