

Case No. 9092 Phase II/9093Phase II-Appeals by Potomac Electric Power Company and Delmarva Power and Light Company

In Order No. 82168 issued on August 4, 2008, the Commission rejected PEPCO's and Delmarva's proposed reallocation of service company costs after the sale of three subsidiaries by their corporate parent (PHI Holdings). The Commission concluded, as argued by OPC and PSC Staff, that PEPCO and Delmarva had not met their burden of proof to establish that no cost savings were realized upon the sale of the three subsidiaries. As a result the Commission denied any modification of the temporary rates which had been approved in Phase I of these cases.

On August 14, 2008 Delmarva appealed the Commission's decision in Case 9092 to the Circuit Court for Cecil County, and on August 15, 2008, PEPCO appealed the Commission's decision in Case 9093 to the Circuit Court for Montgomery County. Delmarva and PEPCO seek to have both cases consolidated in Cecil County. OPC is participating in the appeals, and has joined with the Commission in moving to have both appeals transferred and consolidated in the Circuit Court for Baltimore City.