

## Riders

### 1. Standard Offer Service

Standard Offer Service (“SOS”) is an electric supply service that BGE will provide to customers. The SOS provided by BGE shall include energy, capacity, line losses, transmission and related ancillary services. BGE will provide Standard Offer Market-Priced Service to Schedules R, ES, RL-1, RL-2, G, TN, GS, GL, SL, P and NRP (Schedule HS only). Standard Offer Service includes Generation and Transmission demand and energy charges. Notwithstanding the provision of SOS, all SOS customers are free to choose a supplier other than BGE at any time.

#### Market-Priced Service

Customers who do not choose an alternate energy supplier for their electric requirements will be placed on Market-Priced Service provided by BGE. All customers eligible for Residential, Types I and II Market-Priced Service will be informed of the retail prices and Prices to Compare for the service, if practicable, at least two (2) months prior to the beginning of each service year. The Customer is not permitted to change service type within an SOS year.

**Residential Service:** Distribution customers currently served under Schedules R, ES, RL-1 and RL-2 are eligible for Residential Standard Offer Service. BGE will provide SOS to residential customers from July 1, 2006 through May 31, 2010.

**Type I Service:** Distribution customers currently served under Schedules G, GS, TN and SL are eligible for Type I Service. The customer must meet any of the following criteria to be eligible for Type I Service.

1. The metered 30-minute demand must not equal or exceed 25kW.
2. Energy consumption must not exceed 6,000 kWh in any two consecutive non-summer billing months of October through May, inclusive.
3. Energy consumption must not exceed 7,500 kWh for a single summer billing month, June through September, inclusive.

**Type II Service:** Distribution customers not eligible for Type I or whose PJM capacity peak load contribution is less than 600kW are eligible for Type II Service, unless excluded by the Phase I Settlement Agreement in Case No. 8908.

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### ***1. Standard Offer Service - continued***

Customers eligible for Residential, Types I and II service are subject to the Terms and Conditions of this Tariff.

The retail prices for Residential, Types I and II customers include:

1. Where applicable, the seasonally, time-differentiated load weighted average of all electric supply prices for each Service in each year;
2. Retail charges to recover FERC-approved transmission charges and PJM costs incurred by BGE related to the Service Type load obligation;
3. A fixed Administrative Charge: Residential = 0.400 ¢/kWh  
Type I = 0.550 ¢/kWh  
Type II = 0.600 ¢/kWh
4. Applicable taxes.

The 0.15¢/kWh return component of the residential Administrative Charge is effective from June 1, 2008 through May 31, 2010, without an offsetting credit to residential customers. Effective June 1, 2010 through December 31, 2016, the residential return component shall be suspended.

Revenue resulting from the portion of the Administrative Charge remaining following the deduction for incremental costs of providing Market-Priced Service shall be credited to all distribution customers eligible for this Service.

**Hourly-Priced Service (Schedule HS):** Distribution customers not eligible for Type I or Type II Service whose PJM capacity peak load contribution is 600kW or greater are eligible for Hourly-Priced Service. BGE will provide Hourly-Priced Service from July 1, 2004 to May 31, 2006, and thereafter subject to Maryland Public Service Commission review. Customers eligible for this service are subject to the Terms and Conditions of this Tariff. The retail prices for Hourly-Priced Service customers include:

1. The appropriate PJM hourly integrated real time locational marginal price for energy;
2. Charges associated with the PJM capacity obligation;
3. FERC-approved transmission, ancillary services, administrative, energy losses, and any other FERC-approved or PJM charges and costs incurred by BGE related to the Hourly-Priced load obligation;
4. A fixed Administrative Charge;
5. Applicable taxes; and
6. Any other price element directly related to BGE's Hourly-Priced Service load obligation approved by the Maryland Public Service Commission.

The actual incremental costs of providing Hourly-Priced Service for the first program year shall be used to true up the estimated incremental costs for that same year. Any over- or under-collection of costs shall be applied to the estimated incremental costs for the second Hourly-Priced Service program year.