December 16, 2016

Via Electronic Filing

David J. Collins, Executive Secretary
Public Service Commission of Maryland
William Donald Schaefer Tower
6 Saint Paul Street, 16th Floor
Baltimore, Maryland 21202-6806

Re: Supplement 430 to P.S.C. G-9; Rider 3 – Standby Service Price

Dear Mr. Collins:

Baltimore Gas and Electric Company (BGE) files herewith Supplement 430, Rider 3 – Standby Service Price to P.S.C. Md. G-9 with attached red-lined and clean versions of the revised tariff page. This price is to be effective for the 12-month period beginning with February 2017 billings, and is in compliance with the Stipulation and Settlement Agreement filed in Phase II of Case No. 8950, which was accepted by the Hearing Examiner in a Proposed Order issued on August 17, 2004.1 The Standby Service Price is the price that customers, electing Standby Service, will pay for the pipeline capacity that BGE maintains on their behalf. The Standby Service Price is $0.1375 per therm and will be applied to all of the throughput for Schedule C customers electing Standby Service.

BGE respectfully requests that this matter be considered no later than the Commission’s January 18, 2017 Administrative Meeting so that a decision can be rendered by that date and the Standby Service rate can become effective with bills rendered in February 2017 as provided in the Case No. 8950, Phase II Stipulation and Agreement.

Very truly yours,

John C. Frain

JCF:meg
Attachments
cc: Paula Carmody, People’s Counsel
Michael A. Dean, Staff Attorney
Juan Carlos Alvarado Director, Gas, Water and Telecommunications Division
Telemac N. Chryssikos, Esq. – WGES

1 The Hearing Examiner’s Proposed Order became final on August 31, 2004, and was assigned Order No. 79472.
A. CAPACITY COSTS

1. Estimated Annual Firm Transportation and Storage Capacity Costs
   a. Estimated volumes - from the 2016 Capacity Plan, Attach. 2a, Total Pipeline Capacity (Winter 16/17) (Dth) 663,587
   b. Weighted Average Cost of Capacity - from Rider 7, A.1.h $ 9.38
   c. Cost per month (1a. X 1b.) $ 6,224,446
   d. 12 months 12
   e. Annual Cost (1c. x 1d.) $ 74,693,353

2. Estimated Capacity Costs Recovered Through Rider 7
   a. Estimated Mitigated Capacity Cost - from Rider 7, A.3.c $ 7,472,988

3. Estimated Parking and Balancing Service Recovered Costs
   a. Estimated volumes - from the 2016 Capacity Plan, Attach. 2a, Reserve for Parking & Balancing (Winter 16/17) (Dth) 59,183
   b. Weighted Average Cost of Storage Capacity $ 9.43
   c. Cost per month (3a. x 3b.) $ 558,121
   d. 12 months 12
   e. Annual Recovered Cost (3c. x 3d.) $ 6,697,454

4. Estimated Peak Shaving for DRS Customer Recovered Costs
   a. Estimated volumes - from the 2016 Capacity Plan, Attach. 2a, Peak Shaving for DRS (Winter 16/17) (Dth) 27,059
   b. Weighted Average Cost of Peak Shaving Capacity $ 3.58
   c. Cost per month (4a. x 4b.) $ 96,942
   d. 12 months 12
   e. Annual Recovered Cost (4c. x 4d.) $ 1,163,300


B. ESTIMATED ANNUAL VOLUMES (Dth)

1. Estimated BGE Gas Commodity Service Volumes (Dth) 43,185,914
2. Contracted for Standby Service Volumes (Dth) 72,100
3. Contracted for Critical Use Gas Volumes (Dth) -
4. Total Volumes in Dth (B.1. + B.2. + B.3.) 43,258,014
5. Total Volumes in Therms B.4. X 10 432,580,143

C. STANDBY SERVICE PRICE

1. $ per Dth (A.5 / B.4.) $ 1.372
2. $ per Dth adjusted for PSC Assessment ((C.1 / (1-0.002019)) $ 1.375
3. $ per Therm (C.2. / 10) rounded $ 0.1375
3. **Standby Service Price**

The Standby Service Price will be calculated by dividing BGE's projected annual cost for Firm Transportation and Storage capacity less capacity costs recovered through Rider 7 - Gas Choice and Reliability Charges and BGE’s Parking and Balancing Service and Peak Shaving for Daily Requirement Service customers by the sum of projected annual delivery volumes for all BGE Gas Commodity Service customers, and Schedule C Standby customers. The projected annual cost of Firm Transportation and Storage capacity will be determined using the total volumes of Firm Transportation and Storage capacity identified in BGE's Gas Capacity Plan and the Federal Energy Regulatory Commission (FERC) approved pipeline rates in effect at the time of the Standby Price filing. The Standby Service Price will be filed with the Public Service Commission in December of each year, to become effective with February billings. The Standby Service Price effective with February 2017 is $0.1375 per therm. 

Amounts collected through this Rider will be credited to BGE Gas Commodity Service customers through Rider 2 - Gas Commodity Price.

4. **Budget Billing**

Budget Billing is available to Customers served under Schedules D or C upon approval of the Customer’s credit. Under the plan, a Customer pays for their total metered uses of gas and electric service for all purposes in even monthly payments (adjusted to the nearest dollar). Supplier charges for gas commodity and/or electric service are not included in Budget Billing. The monthly payment is calculated utilizing the Customer’s recent 12 months of bills and the accumulated Budget Billing imbalance, including taxes applicable, divided by 12. In billing, the "Late Payment Charge" is Standard (Sec. 7.5) and is applied to each monthly payment.

Interest at the rate of one half of one percent per month is applied to any credit balance in the Customer's Budget Billing account. A credit balance occurs when the accumulated Budget Billing amount billed and paid under this plan exceeds the charges which would otherwise have been billed during the same period. Interest will be paid annually to all customers in the month of June.

A Customer may request to start billing, under this Rider, in any month including the month of their current bill. If 12 months of billing history is not available, the Company will estimate 12 months of bills in order to calculate a monthly Budget Billing amount. The Customer’s Budget Billing account will be reviewed every 3 months, from the starting month, to determine if an adjustment is needed to the monthly Budget Billing payment. The Customer will be notified in that month’s bill should the payment amount be changing in the subsequent month.

Upon discontinuance of the application of this Rider, any accumulated difference between the amounts billed at net rates under this Rider plus any accumulated interest and the charges at net rates including taxes, otherwise applicable for actual gas and electric uses becomes due and payable or refunded upon presentation.

Budget Billing is available to BGE Gas Commodity Service Customers or to the Delivery Service portion of the bill for Customers who have selected an alternate Gas Supplier.
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