

PETITION OF: MAYOR AND CITY
COUNCIL OF BALTIMORE

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IN THE

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CIRCUIT COURT

FOR JUDICIAL REVIEW OF THE
DECISION OF THE MARYLAND
PUBLIC SERVICE COMMISSION

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FOR

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BALTIMORE CITY

IN THE CASE OF THE COMMISSION'S
INVESTIGATION INTO A RESIDENTIAL*
ELECTRIC RATE STABILIZATION AND
MARKET TRANSITION PLAN FOR
BALTIMORE GAS AND ELECTRIC
COMPANY
CASE 9052

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Part 20

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Case No.: 24-C-06-003976

ORDER

Upon consideration of the written submissions of the respective parties, it is this
8th day of June, 2006, by the Circuit Court for Baltimore City, Part 20,

ORDERED as follows:

1. The Office of the People's Counsel's motion to correct this Court's Order issued May 30, 2006 is **GRANTED**. The record shall reflect that the Office of People's Counsel supported the Mayor and City Council's position that an adjudicatory hearing before the Public Service Commission is appropriate in this case.
2. The motion for clarification of the Office of People's Counsel concerning this Court's Order issued May 30, 2006 is **DENIED**. Pursuant to the Notice of Procedural Schedule and Scheduling Conference issued by the Public Service Commission on June 5, 2006, the issue of whether the residential rate caps may be briefly extended will be considered and

determined by the Public Service Commission on motions for rehearing of PSC Order No. 80838. The Court has this date granted, without prejudice, a motion to dismiss the Mayor and City Council's Petition for Judicial Review of that Order in order to permit the Commission to consider this legal issue prior to further judicial review.

In so ruling the Court is not attempting to conceal its rationale from the parties. Given the severe time constraints facing them when the Court issued its Order on May 30, 2006, it seemed reasonable to suggest a temporary remedy¹ which would permit the PSC to conduct the adjudicatory hearing ordered, while delaying the rise in residential rates. It was never the intent of the Court to deny Baltimore Gas and Electric Company ("BGE") its "reasonable return," to which the law entitles it PUC § 7-510(c)(e)(ii), but rather to delay it briefly. Since counsel confirmed to the Court that the July 1, 2006 date for lifting the rate caps is not embedded in the statute, the Court offered the practical suggestion of resolving the complex issues remaining before the Commission before imposing a dramatic rate hike on BGE's residential customers. This course of action, while never briefed before the Court, did not seem to it to have the dire constitutional and doctrinal implications ascribed to it by the PSC in Order No. 80838. That agency will now have the opportunity to

¹ The Court contemplated a new PSC order detailing the final rate mitigation plan and containing authority for BGE to recover amounts due and owing from July 1, 2006, once the new order becomes effective.

consider the issue with the benefit of full briefing and argument rather than a summary rejection of the concept.

3. The Mayor and City Council of Baltimore's motion for reconsideration of this Court's Order issued May 30, 2006 concerning executive compensation and bonus issues is **DENIED**.

 /s/ Albert J. Matricciani, Jr.
ALBERT J. MATRICCIANI, JR.
Judge

cc: All Counsel of Record (via e-mail)