



Philip D. Murphy  
Governor

Sheila Y. Oliver  
Lt. Governor

**State of New Jersey**  
BOARD OF PUBLIC UTILITIES  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Post Office Box 350  
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[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

Aida Camacho-Welch  
**Secretary of the Board**  
Tel. # (609) 292-1599

September 21, 2018

To the Service List:

Re: IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF AMENDMENTS TO ITS TARIFF TO PROVIDE FOR AN INCREASE IN RATES AND CHARGES FOR ELECTRIC SERVICE PURSUANT TO N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1, AND FOR OTHER APPROPRIATE RELIEF (2018). BPU DOCKET NO. ER18080925

**Agenda Date: September 17, 2018 – Agenda Item: IIA**

Attached is the corrected copy of the Board's Order dated September 17, 2018 in the above noted matter, correcting an error relating to a date on page two of the Order.

This Order was originally issued with an inadvertent typographical error. The date that the proposed revisions are to be suspended was incorrectly entered as November 15, 2018. The error has been corrected and the Order now accurately states that the proposed revisions are suspended until January 21, 2019.

This is the only correction and all other parts of the above mentioned matter and corresponding order that was before the Board at September 17, 2018 agenda meeting remain the same.

Sincerely,

A handwritten signature in blue ink that reads "Aida Camacho-Welch".

Aida Camacho-Welch  
Secretary of the Board

/ac  
enclosure

**IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR  
APPROVAL OF AMENDMENTS TO ITS TARIFF TO PROVIDE FOR AN INCREASE IN  
RATES AND CHARGES FOR ELECTRIC SERVICE PURSUANT TO N.J.S.A. 48:2-21 AND  
N.J.S.A. 48:2-21.1, AND FOR OTHER APPROPRIATE RELIEF (2018)  
BPU DOCKET NO. ER18080925**

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Agenda Date: 9/17/18  
Agenda Item: IIA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF )  
ATLANTIC CITY ELECTRIC COMPANY FOR ) CORRECTED ORDER<sup>1</sup>  
APPROVAL OF AMENDMENTS TO ITS TARIFF ) SUSPENDING INCREASES,  
TO PROVIDE FOR AN INCREASE IN RATES AND ) CHANGES OR ALTERATIONS IN  
CHARGES FOR ELECTRIC SERVICE PURSUANT ) RATES FOR SERVICE  
TO N.J.S.A. 48:2-21 AND N.J.S.A. 48:2-21.1, AND )  
FOR OTHER APPROPRIATE RELIEF (2018) ) BPU DOCKET NO. ER18080925

**Parties of Record:**

**Philip J. Passanante, Esq.**, on behalf of Atlantic City Electric Company, Petitioner  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 21, 2018, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, Atlantic City Electric Company ("ACE" or "Company"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in its current base rates for electric service of approximately \$116.5 million, including Sales and Use Tax, to be effective for electric service provided on or after September 21, 2018.

The Company is also requesting a return on equity of 10.10%. According to the petition, the primary reason for the requested increase is that the Company's current base rates do not: (i) provide sufficient operating revenues to reflect increased investment in the Company's rate base, meet operating expenses, taxes, and fixed charges, and maintain its financial viability; and (ii) provide an opportunity to earn a reasonable rate of return on the fair value of the Company's property.

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<sup>1</sup> A corrected order is being issued to address a typographical error in the suspension date.

In its petition, ACE seeks authority from the Board to: (i) increase rates and charges for electric service that would result from the proposed amendments to the Company's tariff; (ii) create a regulatory asset to record the costs to achieve merger synergy savings and to amortize those costs over a five (5) year period; (iii) incorporate the results of its Cost of Service Study and consider the unitized rate of return for each customer rate class in the allocation of overall revenue requirements among rate classes; and (iv) modify certain charges, including monthly customer charges, and update its tariff for certain tariff modifications.

Additionally, the Company is requesting that the Board (i) relieve it of the obligation to file an alternative rate design using Peak and Average Coincident Peak method as required by the Board in the Order issued in connection with in Docket No. ER03020110; (ii) approve ACE's proposed revenue decoupling mechanism; and (ii) approve the use of its depreciation rates based on the Company's deprecation study.

It appearing that the proposed revisions, if approved, will increase existing rates and change or alter existing classifications in the Company's tariff, it is **HEREBY ORDERED** that:

(1) Pursuant to N.J.S.A. 48:2-21(d), and consistent with N.J.A.C. 14:1-5.12 the proposed revisions are suspended until January 21, 2019,<sup>2</sup> unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;

(2) ACE shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law ("OAL"), file with this Board and with the OAL, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and

(3) ACE shall serve copies of this Order upon the OAL, the Division of Rate Counsel (140 East Front Street, 4th Floor. Post Office Box 003, Trenton, N.J. 08625), the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of .the affected county, and where appropriate, the executive officer of the affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of Service of this Order shall be filed with the Board.

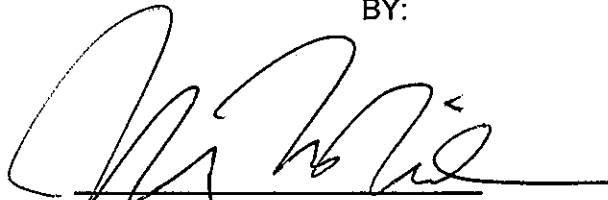
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<sup>2</sup> This Order was originally issued with an inadvertent typographical error. The date that the proposed revisions are to be suspended was incorrectly entered as November 15, 2018. The error has been corrected and the Order now accurately states that the proposed revisions are suspended until January 21, 2019.

This Order shall be effective on September 17, 2018.

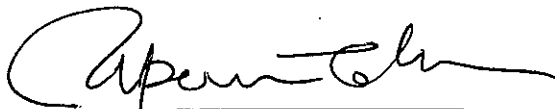
DATED: 9/17/18

BOARD OF PUBLIC UTILITIES  
BY:

  
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COMMISSIONER

  
DIANNE SOLOMON  
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ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
AIDA CAMACHO-WELCH  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public Utilities.

**IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR  
APPROVAL OF AMENDMENTS TO ITS TARIFF TO PROVIDE FOR AN INCREASE IN  
RATES AND CHARGES FOR ELECTRIC SERVICE PURSUANT TO N.J.S.A. 48:2-21 AND  
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