



Agenda Date: 5/29/13
Agenda Item: 2E

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF ATLANTIC)
CITY ELECTRIC COMPANY TO RECONCILE AND)
UPDATE THE LEVEL OF ITS NON-UTILITY)
GENERATION CHARGE ("NGC"), ITS SOCIETAL)
BENEFITS CHARGE ("SBC") AND ITS SYSTEMS)
CONTROL CHARGE ("SCC") (2013))

ORDER ON PROVISIONAL
RATES

DOCKET NO. ER13030186

Parties of Record:

Philip Passanante, Esq., for the Atlantic City Electric Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On March 5, 2013, Atlantic City Electric Company ("ACE" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting approval for changes in its Non-Utility Generation Charge ("NGC"), its Societal Benefits Charge ("SBC") and its System Control Charge ("SCC"). By this Decision and Order, the Board considers a Stipulation for Provisional Rates ("Stipulation") entered into by ACE, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively, the "Signatory Parties"), requesting that the Board approve increases in the NGC, SBC, and SCC on a provisional basis, subject to refund.

BACKGROUND

As a result of the Board's Final Decision and Order issued in Docket Nos. EO97070455, EO97070456, and EO97090457 ("Restructuring Order"),¹ the Company implemented unbundled rates that included a Market Transition Charge ("MTC"), a Net Non-Utility Generation Charge ("NNC"), and the SBC as rate components. The Restructuring Order also established the components of the SBC and the associated cost recovery mechanisms.

¹ In re ACE- Rate Unbundling, Stranded Costs and Restructuring Filings, BPU Docket Nos. EO97070455, EO97070456, and EO97070457, Final Decision and Order dated March 30, 2001.

Pursuant to the Restructuring Order, and to the extent that expenditures for these initiatives exceeded the amount of their cost recovery, the expenditures were subject to deferred accounting treatment for future recovery at the close of the transition period. The Board further directed ACE to make a filing, no later than August 1, 2002, so the Board could consider the matter. By Order dated July 8, 2004,² the Board finalized the Company's SBC, NNC, and MTC deferred cost components through the end of the transition period, July 31, 2003, and established new SBC, NNC, and MTC rates effective August 1, 2003.

By Order dated May 26, 2005,³ the Board approved a stipulation in connection with ACE's 2003 base rate case ("2003 Rate Case Order"), which adjusted and combined the NNC and MTC into the NGC, effective as of June 1, 2005.

COMPANY FILING

On March 5, 2013, the Company filed the instant petition and accompanying exhibits, including pre-filed direct testimony ("March 2013 Petition"). The Company's NGC is currently designed to recover the above-market component of payments made under purchased power agreements ("PPAs") with non-utility generators ("NUGs"). The SBC components proposed to be revised in the instant petition are the Clean Energy Program component ("CEP") and the Uncollectible Accounts component ("UNC"). The SCC, which became effective on or about June 1, 2004, was designed to recover operating costs associated with the Company's residential appliance cycling program.

NGC

With respect to the NGC, the rate proposed in the March 2013 Petition was designed to recover forecasted above-market NUG costs for the period June 1, 2013 through May 31, 2014, totaling \$67.849 million. It will also recover the projected under-recovered balance of \$40.779 at May 31, 2013. In addition, the proposed NGC will recover an additional \$32.861 million (\$32.419 million amortization and \$0.442 million interest) associated with the deferred under-recovered balance of \$126.973 which is being amortized on a four-year period. The total forecasted recovery for this period was \$141.489 million.

SBC (UNC AND CEP)

According to the March 2013 Petition, the rates proposed for the UNC component of the SBC were designed to recover approximately \$14.669 million for the period June 1, 2013 through May 31, 2014. Additionally, the proposed rate would return to customers a projected over-recovered balance of \$0.075 million by May 31, 2013. In addition, similar to the proposed treatment of the NGC under-recovered balance, ACE proposed to continue the recovery of the projected under-recovered balance over a four year amortization period ending May 31, 2016 which was initiated on July 1, 2012. As a result, an additional \$2.841 million (\$2.803 million amortization and \$0.038 million interest) is associated with the deferred under-recovered balance of \$10.978 million. The total forecasted recovery during the period was \$17.435 million.

² In re the Petition of Atlantic City Electric Company d/b/a Connectiv Power Delivery for Approval of Amendments to its Tariff to Provide for an Increase in Rates for Electric Service, BPU Docket No. ER02080510, Final Order dated July 8, 2004.

³ In re the Petition of Atlantic City Electric Company d/b/a Connectiv Power Delivery for Approval of Amendments to its Tariff to Provide for an Increase in Rates for Electric Service- Phase I and Phase II AND In re the Petition of Atlantic City Electric Company d/b/a Connectiv Power Delivery to Decrease the Level of its Net Non-Utility Generation Charge and Increase the Level of its Societal Benefits Charge AND In re the Petition of Atlantic City Electric Company for An Administrative Determination of the Value of Certain Fossil Generating Assets AND In re the Petition of Atlantic City Electric Company for Approval of a Service Company Agreement, BPU Docket Nos. ER03020110, ER04060423, EO03020091, and EM02090633, Order dated May 26, 2005.

The rates proposed for the CEP component of the SBC were designed to recover approximately \$33.609 million for the period June 1, 2013 through May 31, 2014. ACE has based its projections on the funding levels approved by the Board in its Order dated September 30, 2008 in Docket No. EO07030203 at Appendix A. The average monthly expenditures from the 2012 program expense budget year as found in the above Order were used to develop the monthly 2013 expenditures. In addition, based on an estimate of the CEP deferred balance through May 31, 2013, ACE anticipated a projected under-recovery of approximately \$0.271 million.

SCC

In the March 2013 Petition, ACE proposed to adjust the SCC based on the projected under-recovered deferred balance, including interest of approximately \$0.027 million on May 31, 2013, and the forecasted program expense of \$0.412 million for the period June 1, 2013 through May 31, 2014. The total forecasted recovery during the period was \$0.439 million.

As of the date of filing, the projected deferred balances in the petition were based on actual data through December 31, 2012 and projected data for the period of January 1, 2013 through May 31, 2013. If approved, the net impact of adjusting the NGC, CEP and UNC components, and the SCC rates [including Sales and Use Tax ("SUT")] would be an overall annual rate increase of approximately \$46.267 million. This amount includes both the annual impact of the proposed four year amortization of the historical under-recovered balances of the NGC and the UNC components, and the going-forward cost recovery of all components for the period June 1, 2013 through May 31, 2014.

Following notices in newspapers of general circulation in ACE's service territory, and the serving of notices upon affected municipalities and counties within its service area, two separate public hearings were conducted on May 13, 2013, one at 3:30 p.m. and the other at 5:30 p.m. in Galloway Township, NJ.

STIPULATION

Because the Company's filing will not be updated with actual revenues and expenses until after June 1, 2013, and additional time is needed to complete the review of the proposed rates to ensure that the costs are adequately explained, reconciled and addressed, and the resulting rates are reasonable, on May 24, 2013, the Signatory Parties entered into a Stipulation for provisional rates for the NGC, SBC, and SCC.

The Stipulation provides for the following⁴:

1. The Signatory Parties have determined that, because the Company's filing will not be updated with actual revenues and expenses until after June 1, 2013, additional time is needed to complete the review of the proposed rates and underlying costs for reasonableness and prudence. The Signatory Parties have agreed, however, that the implementation of provisional NGC, SBC, and SCC rates, as set forth herein, is reasonable at this time. Final rates to replace the interim rates agreed upon in the Stipulation will be determined after June 1, 2013 after further discovery, a prudence review, and the opportunity for evidentiary hearings, if necessary.

⁴ Although described in this Order, should there be any conflict between this summary and the stipulation, the terms of the stipulation control, subject to the findings and conclusions contained in this Order.

2. The Board Order in BPU Docket No. ER12020173, dated June 18, 2012, approved, on a provisional basis, the NGC rate in effect since July 1, 2012. This NGC rate included a 47 month amortization of a projected under-recovered NGC balance of \$126,973,199, including interest. The Signatory Parties stipulate, acknowledge, and agree that, as updated at June 1, 2013 based on the actual balance through March 31, 2013 and estimated for the months of April 2013 to May 2013, this balance projected by the Company to be \$97,256,067 including interest (Settlement Schedule 1, page 3 of 3) and will continue to be recovered over a 36 month period. For purposes of the Stipulation, interest on the unrecovered balance will be calculated on a monthly basis using the interest rate established in BPU Docket No. ER12020173 and shown on Settlement Schedule 1, page 3 of 3. For the period of June 1, 2013 through May 31, 2014, the total estimated amount to be recovered will be approximately \$32,861,618, including interest. Settlement Schedule 1, page 1 of 3. The Signatory Parties stipulate and agree that the Company's updated filing in this proceeding indicates an under-recovered balance of \$47,811,561, including interest, at June 1, 2013, based upon the actual under-recovered deferred balance on March 31, 2013, and projected expenses for the period April 1, 2013 through May 31, 2013. Settlement Schedule 1, page 2, line 27. The Signatory Parties stipulate, acknowledge, and agree that the Company's updated filing in this proceeding indicates forecasted above-market NUG costs of \$67,849,127 for the period June 1, 2013 through May 31, 2014. The total period NGC costs that the Company proposes to recover through the provisional NGC rate equals \$148,521,305. (Settlement Schedule 1, page 1 of 3.) Accordingly, the Company will implement a provisional residential NGC rate of \$0.016730 for the period June 1, 2013 through May 31, 2014. (Settlement Schedule 1, page 1 of 3.) A final determination regarding the appropriateness of collecting interest on the NGC balances, and, if interest is recoverable, the appropriate interest rate and methodology to be applied, will be determined when final rates are set.
3. The Signatory Parties acknowledge, stipulate, and agree that the Company's updated filing in this proceeding indicates forecasted SBC costs of \$49,938,821. For the Clean Energy component of the SBC, projected costs total \$34,417,565. This total consists of \$33,608,955 of projected CEP costs for the period June 1, 2013 through May 31, 2014. (Settlement Schedule 2, page 1 of 2) and a projected under-recovered balance at May 31, 2013 of \$808,610. (Settlement Schedule 2, page 2 of 2). The forecasted total costs for the Uncollectible Account component of the SBC is \$15,521,256. This total includes \$14,669,330 of projected Uncollectible Account costs for the period June 1, 2013 through May 31, 2014. (Settlement Schedule 3, page 1 of 4) and a projected over-recovered balance at May 31, 2013 of \$1,989,171. In addition, the forecasted total Uncollectible Account costs include \$2,841,097 for the continued recovery of the Uncollectible Account under-recovered balance as agreed to by the parties in the Stipulation for Provisional Rates in BPU Docket No. ER12020173 approved by Board Order dated June 18, 2012. For the period of June 1, 2013 through May 31, 2014, the total amount to be recovered, including interest, will be approximately \$2,841,097. As agreed to in the previous stipulation, a final determination regarding the appropriateness of collecting interest and, if interest is recoverable, the appropriate interest rate and methodology, will be determined when final rates are set. The Company will implement a provisional CEP rate of \$0.003843 per kWh and a provisional UNC rate of \$0.001733 per kWh. This

represents an increase of \$0.000303 per kWh to the SBC rate (Settlement Schedule 5).

4. The Signatory Parties acknowledge, stipulate and agree that the Company's updated filing in this proceeding indicates a projected over-recovered SCC balance (as updated based on the actual balance through March 31, 2013, and estimated for the months of April 2013 to May 2013) of \$71,362 (Settlement Schedule 4, page 2 of 2.) The Signatory Parties further acknowledge, stipulate and agree that the Company's updated filing in this proceeding indicates forecasted net SCC costs of \$411,831 for the period June 1, 2013 through May 31, 2014, resulting in a total of \$340,468 to be recovered through the SCC (Settlement Schedule 4, page 1 of 2). Accordingly, the Company will implement a provisional SCC rate of \$0.000038 per kWh. This represents an increase of \$0.000028 to the SCC rate (Settlement Schedule 5).
5. According to the Company's calculation, the overall annual average monthly bill impact of the combined proposed NGC, SBC, and SCC rate changes for a residential customer using 1,000 kWh per month, results in an increase of \$4.00 or 2.20 percent.
6. The Signatory Parties further acknowledge that a Board Order approving the Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify in accordance with N.J.S.A. 48:2-40.
7. The Signatory Parties further stipulate and agree to the establishment of NGC, SBC, and SCC rates designed for recovery from the Effective Date through May 31, 2014, as delineated in the Settlement Schedules attached to the Stipulation. The rates will be designed to reconcile the deferred balances and recover forecasted costs noted in paragraphs 1 through 3 of this Stipulation. See Settlement Schedule 6 for the proposed Tariff pages incorporating the new rates. As shown in Settlement Schedule 5, the impact of the proposed rate changes for the period June 1, 2013 to May 31, 2014, including Sales and Use Tax, is an estimated annual increase of \$49.042 million related to the NGC component; an estimated annual increase of \$3.081 million related to the CEP component; an estimated annual decrease of \$0.164 million related to the Uncollectible Accounts component; and an estimated annual increase of \$0.270 million related to the SCC Component. Consequently, the overall impact of the proposed rate changes is an estimated annual increase of \$52.229 million (including Sales and Use Tax) for all components.
8. The Signatory Parties agree that the Company's next NGC/SBC/SCC update/reconciliation petition shall be filed with the Board (with a copy to be provided to Rate Counsel) at least 90 days prior to the proposed effective date of June 1, 2014. The Signatory Parties agree that ACE will make a good faith effort to re-initiate discussions with the three NUG generators, Logan, Chambers, and DRMI, regarding possible renegotiation of the NUG contracts and mitigation of the costs incurred thereunder. The Company will provide the Board with a written update on the status of such good faith efforts within 120 days after issuance of an Order adopting the terms of the Stipulation and on a quarterly basis thereafter. The initial report and any subsequent quarterly updates may be issued simultaneous with, and/or included within, the existing quarterly report

referenced below. The Company's obligation to file a quarterly on its good faith efforts shall cease if such discussions are terminated. ACE agrees to notify Board Staff and Rate Counsel of discussions are terminated. The Signatory Parties agree that ACE (i) will defer any reasonable and prudent incremental costs incurred in connection with its efforts to renegotiate the terms of the existing NUG contracts and (ii) seek recovery of such reasonable and prudent incremental costs in connection with the resolution of this docket or in the context of a subsequent proceeding. The Signatory Parties reserve their right to contest recovery for any or all of those costs. The Company reserves its right to request confidential treatment of any such submissions under existing law. The Signatory Parties further agree that ACE will continue to file quarterly reports with Board Staff and Rate Counsel, showing the actual NGC, SBC, and SCC deferred balances. The reports will also include a forecast of the deferred balance on May 31, 2014, and a variance analysis, including a narrative description of the monthly projected versus actual updated deferred balances. To the extent that the forecast shows an under- or over-recovered deferred balance of more than \$50 million at the end of the period, excluding the unamortized balances of the NGC and UNC components which are being amortized over 47 months effective July 1, 2012, the Signatory Parties agree that ACE will file a petition to update the NGC, SBC, and SCC components with an effective date prior to June 1, 2014.

DISCUSSION AND FINDING

The Board has carefully reviewed the record to date in this proceeding and the attached Stipulation which allows the Company to recover costs on a provisional basis to moderate potential billing impacts if these costs were otherwise allowed to continue to accumulate while also requiring that the Company provide additional information and recommit to renegotiation efforts on the NUG contracts. The Board **FINDS** that, subject to the terms and conditions set forth below, the Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein. The Board **HEREBY APPROVES**, on a provisional basis, subject to refund with interest on any net over-recovered balance, an increase of the CEP component of the SBC to \$0.003843 per kWh including SUT, a decrease in the UNC component of the SBC to \$0.001733 per kWh including SUT, and an increase in the SCC component to \$0.000038. In addition, the Board **HEREBY APPROVES**, on a provisional basis, subject to refund with interest on any net over-recovered balance, an NGC rate of \$0.016730 per kWh. For an average residential customer using approximately 1,000 kWh per month, the cumulative impact of these changes represents an increase of approximately \$4.00 or 2.20% on a total monthly bill.

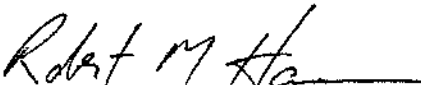
These changes shall become effective as of the date of service of this Order.


The Board **HEREBY ORDERS** ACE to file revised tariff sheets conforming to the terms of the Stipulation within five (5) days of service of this Board Order.

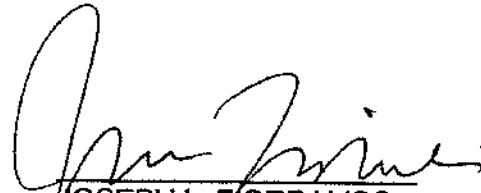
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

DATED: 5/29/13

BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT


JEANNE M. FOX
COMMISSIONER

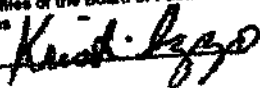

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
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 to Reconcile and Update the Level of its Non-Utility Generation Charge ("NGC"), its Societal Benefits Charge ("SBC") and its Systems Control Charge ("SCC") - BPU Docket No. ER13030186

NOTIFICATION LIST

BOARD OF PUBLIC UTILITIES		
Jerome May, Director Division of Energy Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor Post Office Box 350 Trenton, NJ 08625-0350	Stacy Peterson Division of Energy Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor Post Office Box 350 Trenton, NJ 08625-0350	Kristi Izzo, Secretary Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor Post Office Box 350 Trenton, NJ 08625-0350
Rosalie Serapiglia Division of Energy Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor Post Office Box 350 Trenton, NJ 08625-0350		
DIVISION OF RATE COUNSEL		
Stefanie A. Brand, Esq. Director Division of Rate Counsel 140 East Front Street, 4 th Floor Post Office Box 003 Trenton, NJ 08625	Paul Flanagan, Esq. Division of Rate Counsel 140 East Front Street, 4 th Floor Post Office Box 003 Trenton, NJ 08625	Ami Morita, Esq. Division of Rate Counsel 140 East Front Street, 4 th Floor Post Office Box 003 Trenton, NJ 08625
Diane Schulze, Esq. Division of Rate Counsel 140 East Front Street, 4 th Floor Post Office Box 003 Trenton, NJ 08625		
DEPARTMENT OF LAW & PUBLIC SAFETY		
Caroline Vachier, DAG Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101	Babette Tenzer, DAG Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101	Alex Moreau, DAG Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101
David Wand, DAG Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101		

ACE		
Philip J. Passanante, Esq. Associate General Counsel ACE- 92DC42 500 North Wakefield Drive Post Office Box 6066 Newark, DE 19714-6066	Roger E. Pedersen Manager, NJ Regulatory Affairs, External Issues and Compliance ACE- 63ML38 5100 Harding Highway Mays Landing, NJ 08330	

**IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY TO
RECONCILE AND UPDATE THE LEVEL OF
ITS NON-UTILITY GENERATION CHARGE,
ITS SOCIETAL BENEFITS CHARGE, AND
ITS SYSTEM CONTROL CHARGE (2013)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**STIPULATION FOR
PROVISIONAL RATES
(herein, the "Stipulation")**

**BPU DOCKET NO.
ER13030186**

APPEARANCES:

Philip J. Passanante, Esquire, Associate General Counsel, for Atlantic City Electric Company

Paul Flanagan, Litigation Manager; Ami Morita, Deputy Rate Counsel; and Diane Schulze, Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel ("Rate Counsel") (Stefanie A. Brand, Director, Division of Rate Counsel)

Alex Moreau, Deputy Attorney General, and T. David Wand, Deputy Attorney General, on behalf of the Staff of the Board of Public Utilities ("Board Staff") (Jeffrey S. Chiesa, Attorney General of New Jersey)

PROCEDURAL HISTORY

On or about March 5, 2013, Atlantic City Electric Company ("ACE" or the "Company") filed a Verified Petition (the "Petition") with the New Jersey Board of Public Utilities (the "Board" or "BPU") seeking the Board's approval to reconcile and update ACE's Non-Utility Generation Charge ("NGC"), its Societal Benefits Charge ("SBC"), and its System Control Charge ("SCC"). The matter was docketed as BPU Docket No. ER13030186.

ACE's NGC provides for recovery of the above-market portion of payments made under the Company's Non-Utility Generation ("NUG") contracts. ACE's SBC was established to recover costs related to: the Universal Service Fund and Lifeline social programs; Clean Energy Programs ("CEP"); uncollectible accounts; and consumer education. The SCC was designed to recover operating costs associated with the Company's Residential Appliance Cycling Program.

The purpose of the Company's Petition was to reconcile and reset the NGC and two components of the SBC: (i) the CEP component and (ii) the "Uncollectible Accounts" component. The Company's filing also proposed to reconcile and update the SCC based upon the projected over-recovered deferred balance on May 31, 2013, and the projected program expenses for the period June 1, 2013 through May 31, 2014. As proposed, all rate changes are intended to become effective on or by June 1, 2013. Once approved and implemented, ACE anticipates that the revised rates would remain in effect for the succeeding 12 month period (or such other effective period as the Board shall order) and subject to an annual true-up and change each year thereafter.

Since the Company made its initial filing in connection with the instant proceeding, ACE updated its proposed adjustments to the NGC, the CEP and Uncollectible Accounts components of the SBC, as well as the SCC, based on projected deferred balances as of May 31, 2013, and projected expenses for the period of June 1, 2013 through May 31, 2014. The projected deferred balances include actuals through March 31, 2013.

Two separate public hearings were conducted on May 13, 2013: one at 3:30 P.M. and a second at 5:30 P.M. The hearings were held at the Galloway Township Branch of the Atlantic County Library System, 306 E. Jimmie Leeds Road, Galloway Township, New Jersey 08205, where members of the public were invited to comment on the filing.

Representatives from the Company, Board Staff, and Rate Counsel (jointly referred to herein as the "Signatory Parties") have been given an opportunity to conduct initial discovery and have participated in discussions regarding the Petition. As a result of those discussions, the Signatory Parties to this Stipulation STIPULATE AND AGREE as follows:

1. The Signatory Parties have determined that, because the Company's filing will not be updated with actual revenues and expenses until after June 1, 2013, additional time is needed to complete the review of the proposed rates and underlying costs for reasonableness and prudence. The Signatory Parties have agreed, however, that the implementation of provisional NGC, SBC, and SCC rates, as set forth herein, is reasonable at this time. Final rates to replace the interim rates agreed upon in this Stipulation will be determined after June 1, 2013 after further discovery, a prudence review and the opportunity for an evidentiary hearing, if necessary.

2. The Board Order in BPU Docket No. ER12020173, dated June 18, 2012, approved, on a provisional basis, the NGC rate in effect since July 1, 2012. This NGC rate included a 47 month amortization of a projected under-recovered NGC balance of \$126,973,199, including interest. The Signatory Parties stipulate, acknowledge, and agree that, as updated, at June 1 2013 based on the actual balance through March 31 2013, and estimated for the months of April 2013 to May 2013, this balance is projected by the Company to be \$97,256,067, including interest (**Settlement Schedule 1**, page 3 of 3) and will continue to be recovered over a 36 month period. For purposes of this Stipulation, interest on the unrecovered balance will be calculated on a monthly basis using the interest rate established in BPU Docket No. ER12020173 and shown on **Settlement Schedule 1**, page 3 of 3. For the period of June 1, 2013 through May 31, 2014, the total estimated amount to be recovered will be approximately \$32,860,618, including interest. **Settlement Schedule 1**, page 1 of 3

The Signatory Parties stipulate and agree that the Company's updated filing in this proceeding indicates an under-recovered NGC balance of \$47,811,561, including interest, at June 1, 2013, based upon the actual under-recovered deferred balance on March 31, 2013, and

projected expenses for the period April 1, 2013 through May 31, 2013. (**Settlement Schedule 1**, page 2, line 27.)

The Signatory Parties stipulate, acknowledge, and agree that the Company's updated filing in this proceeding indicates forecasted above-market NUG costs of \$67,849,127 for the period June 1, 2013 through May 31, 2014. The total period NGC costs that the Company proposes to recover through the provisional NGC rate equals \$148,521,305. (**Settlement Schedule 1**, page 1 of 3.) Accordingly, the Company will implement a provisional residential NGC rate of \$0.016730 per kWh for the period June 1, 2013 through May 31, 2014. (**Settlement Schedule 1**, page 1 of 3.) A final determination regarding the appropriateness of collecting interest on the NGC balances, and, if interest is recoverable, the appropriate interest rate and methodology to be applied, will be determined when final rates are set.

3. The Signatory Parties acknowledge, stipulate, and agree that the Company's updated filing in this proceeding indicates forecasted SBC costs of \$49,938,821. For the Clean Energy component of the SBC, projected costs total \$34,417,565. This total consists of \$33,608,955 of projected CEP costs for the period June 1, 2013 through May 31, 2014 (**Settlement Schedule 2**, page 1 of 2) and a projected under-recovered balance at May 31, 2013 of \$808,610. (**Settlement Schedule 2**, page 2 of 2.)

The forecasted total costs for the Uncollectible Account component of the SBC is \$15,521,256. This total includes \$14,669,330 of projected Uncollectible Account costs for the period June 1, 2013 through May 31, 2014 (**Settlement Schedule 3**, page 1 of 4) and a projected over-recovered balance at May 31, 2013 of \$1,989,171. In addition, the forecasted total Uncollectible Account costs include \$2,841,097 for the continued recovery of the Uncollectible Account under-recovered balance as agreed to by the parties in the Stipulation for Provisional

Rates executed in connection with BPU Docket No. ER12020173 and approved by Board Order dated June 18, 2012. For the period of June 1, 2013 through May 31, 2014, the total amount to be recovered, including interest, will be approximately \$2,841,097. A final determination regarding the appropriateness of collecting interest and, if interest is recoverable, the appropriate interest rate and methodology to be applied, will be determined when final rates are set.

The Company will implement a provisional CEP rate of \$0.003843 per kWh and a provisional UNC rate of \$0.001733 per kWh. This represents an increase of \$0.000303 per kWh to the SBC rate (**Settlement Schedule 5**).

4. The Signatory Parties acknowledge, stipulate, and agree that the Company's updated filing in this proceeding indicates a projected over-recovered SCC balance (as updated based on the actual balance through March 31, 2013, and estimated for the months of April 2013 to May 2013) of \$71,362. (**Settlement Schedule 4**, page 2 of 2.) The Signatory Parties further acknowledge, stipulate, and agree that the Company's updated filing in this proceeding indicates forecasted net SCC costs of \$411,831 for the period June 1, 2013 through May 31, 2014, resulting in a total of \$340,468 to be recovered through the SCC (**Settlement Schedule 4**, page 1 of 2). Accordingly, the Company will implement a provisional SCC rate of \$0.000038 per kWh. This represents an increase of \$0.000028 to the SCC rate (**Settlement Schedule 5**).

5. According to the Company's calculation, the overall annual average monthly bill impact of the combined proposed NGC, SBC, and SCC rate changes for a residential customer using 1,000 kWh per month, result in an increase of \$4.00 or 2.20 percent.

6. The Signatory Parties further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order or upon such date after the service thereof as the Board may specify in accordance with N.J.S.A. 48:2-40.

7. The Signatory Parties further stipulate and agree to the establishment of NGC, SBC, and SCC rates designed for recovery from the Effective Date through May 31, 2014, as delineated in the Settlement Schedules attached to this Stipulation. The rates will be designed to reconcile the deferred balances and recover forecasted costs noted in paragraphs 1 through 4 of this Stipulation. See **Settlement Schedule 6** for the proposed Tariff pages incorporating the new rates. As shown in **Settlement Schedule 5**, the impact of the proposed rate changes for the period June 1, 2013 to May 31, 2014, including Sales and Use Tax, is an estimated annual increase of \$49.042 million related to the NGC component; an estimated annual increase of \$3.081 million related to the CEP component; an estimated annual decrease of \$0.164 million related to the Uncollectible Accounts component; and an estimated annual increase of \$0.270 million related to the SCC Component. Consequently, the overall impact of the proposed rate changes is an estimated annual increase of \$52.229 million (including Sales and Use Tax) for all components.

8. The Signatory Parties agree that the Company's next NGC/SBC/SCC update/reconciliation petition shall be filed with the Board (with a copy to be provided to Rate Counsel) at least 90 days prior to the proposed effective date of June 1, 2014. The Signatory Parties agree that ACE will make a good faith effort to re-initiate discussions with the three NUG generators, Logan, Chambers, and DRMI, regarding possible renegotiation of the NUG contracts and mitigation of the costs incurred thereunder. The Company will provide the Board with a written update regarding the status of such good faith efforts within 120 days after issuance of an Order adopting the terms of this Stipulation and on a quarterly basis thereafter. The initial report and any subsequent quarterly updates may be issued simultaneous with, and/or included within, the existing quarterly report referenced below. The Company's obligation to file a quarterly

report on its good faith efforts shall cease if such discussions are terminated. ACE agrees to notify Board Staff and Rate Counsel if discussions are terminated. The Signatory Parties agree that ACE will (i) defer any reasonable and prudent incremental costs incurred in connection with its efforts to renegotiate the terms of the existing NUG contracts and (ii) seek recovery of such reasonable and prudent incremental costs in connection with the resolution of this docket or in the context of a subsequent proceeding. The Signatory Parties reserve their right to contest recovery for any or all of those costs. The Company reserves its right to request confidential treatment of any such submissions under existing law.

The Signatory Parties further agree that ACE will continue to file quarterly reports with Board Staff and Rate Counsel, showing the actual NGC, SBC, and SCC deferred balances. The reports will also include a forecast of the deferred balance on May 31, 2014, and a variance analysis, including a narrative description, of the monthly projected versus actual updated deferred balances. To the extent that the forecast shows an under- or over-recovered deferred balance of more than \$50 million at the end of the period, excluding the unamortized balances of the NGC and UNC components which are being amortized over 47 months effective July 1, 2012, the Signatory Parties agree that ACE will file a petition to update the NGC, SBC, and SCC components with an effective date prior to June 1, 2014.

9. It is a condition of this Stipulation that the Board issue an Order approving the provisional rates agreed upon in this Stipulation on an interim basis without change or further conditions. Should the Board fail to issue such an Order, this Stipulation shall be deemed null and void and of no force and effect. In the event this condition is not satisfied for any reason, then neither the existence of this Stipulation nor its provisions shall be disclosed or utilized by any Signatory Party or person for any purpose whatsoever, including in this or any other

proceeding. The Signatory Parties agree that this Stipulation is a negotiated agreement and represents a reasonable balance of the competing interests involved in this proceeding. The contents of this Stipulation shall not in any way be considered, cited or used by any of the Signatory Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation. Notwithstanding anything to the contrary set forth herein, upon the occurrence of any of the following, this Stipulation shall terminate:

- (a) if the Board issues a decision disapproving the Stipulation; or
- (b) if the Board issues a written order approving this Stipulation subject to any condition or modification of the terms set forth herein that an adversely affected Signatory Party, in its discretion, finds unacceptable, then such Signatory Party shall serve notice of unacceptability on the other Signatory Parties within seven business days following receipt of such Board Order. Absent such notification, the Signatory Parties shall be deemed to have waived their respective rights to object to or appeal the acceptability of such conditions or modifications contained in the Board Order, which shall thereupon become binding on all Signatory Parties.

10. This Stipulation may be executed in any number of counterparts, each of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Signatory Parties.

CONCLUSION

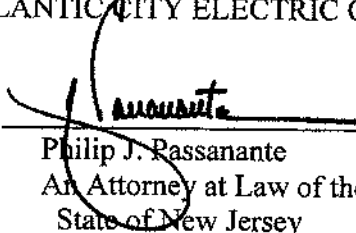
WHEREFORE, for the reasons set forth above, the Signatory Parties to this Stipulation for Provisional Rates respectfully request that the Board approve and adopt this Stipulation in its entirety and issue an Order on Provisional Rates adopting this Stipulation in this proceeding and determining that each of the issues outlined in the above-captioned proceeding have been adequately and appropriately resolved.

Respectfully submitted,

ATLANTIC CITY ELECTRIC COMPANY

Dated: May 24, 2013


By: _____


Philip J. Passanante
An Attorney at Law of the
State of New Jersey

Associate General Counsel
500 North Wakefield Drive, 92DC42
P.O. Box 6066
Newark, DE 19714-6066
(302) 429-3105 - Telephone
(302) 429-3801 - Facsimile
philip.passanante@pepcoholdings.com

JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: 5/24/13

By: 
T. David Wand
Deputy Attorney General

DIVISION OF RATE COUNSEL
Stefanie A. Brand
Director

Dated:

By: _____
Diane Schulze
Assistant Deputy Rate Counsel

JEFFREY S. CHIESA
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Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated:

By: _____
T. David Wand
Deputy Attorney General

DIVISION OF RATE COUNSEL
Stefanie A. Brand
Director

Dated:

By: Diane Schulze
Diane Schulze
Assistant Deputy Rate Counsel

Settlement Schedule 1

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12	Col. 13	Col. 14	
Line No.	Actual	Month	Retail NUG Revenues	PJM Interchange Revenues	Expenses	Prior Period & LIS Balance Transfer Refers to Exp.	Stipulated Adjustments Equates to	Deferral	Pre-Tax Cumulative Deferral	Interest Rollover	After-Tax Cumulative Deferral	Average Monthly Balance	Annual Interest Rate	Interest
1		June-11	8,879,338	13,355,853	13,977,250			1,107,933	(96,259,078)		(96,957,245)	\$ (57,264,916)	0.31%	\$ (14,767)
2		July-11	9,817,424	13,872,910	17,011,526			5,079,817	(90,590,261)		(93,576,224)	(95,257,734)	0.29%	(13,459)
3		Aug-11	9,583,325	12,170,295	20,998,760			(1,734,688)	(89,979,694)	\$ (165,243)	(93,222,392)	(93,400,308)	0.34%	(15,266)
4		Sept-11	8,181,819	8,596,249	16,038,154			(1,276,455)	(87,256,677)		(93,977,733)	(93,800,062)	0.30%	(13,400)
5		Oct-11	6,311,340	7,036,311	16,243,595			(2,895,945)	(84,285,645)		(95,890,984)	(94,834,209)	0.64%	(29,140)
6		Nov-11	5,409,078	6,581,089	15,661,950			(3,671,781)	(87,231,446)		(97,863,343)	(95,778,614)	0.69%	(31,246)
7		Dec-11	6,028,038	6,113,975	17,336,855			(5,184,942)	(103,008,348)		(100,826,498)	(93,396,800)	0.72%	(36,512)
8		Jan-12	6,532,011	6,379,605	17,094,559			(4,182,949)	(107,181,298)		(100,926,498)	(92,166,542)	0.83%	(41,006)
9		Feb-12	5,925,891	5,266,048	16,494,899			(5,092,765)	(112,274,074)		(97,886,811)	(94,469,811)	0.83%	(45,105)
10		Mar-12	5,964,033	5,485,692	16,277,828			(8,238,363)	(119,202,437)		(95,410,115)	(92,110,000)	0.89%	(51,093)
11		Apr-12	5,174,525	5,065,948	16,593,125			(5,418,962)	(124,921,400)		(70,598,237)	(72,110,000)	0.92%	(56,359)
12		May-12	6,965,514	7,150,238	17,042,538			(4,685,761)	(128,897,160)		(78,662,635)	(77,188,657)	0.92%	(58,116)
13		Actual	6,965,514	7,150,238	17,042,538			(2,738,457)	(133,345,618)		(76,292,432)	(77,472,534)	0.91%	(58,793)
14		Actual	5,943,895	11,520,238	14,938,857			222,266,615	(110,089,002)		(6,967,945)	(6,572,715)	0.42%	(1,680)
15		Actual	1,817,668	8,603,248	16,163,817			(10,990,677)	(21,458,082)	\$ (374,493)	(12,686,069)	(19,324,867)	0.41%	(3,218)
16		Actual	1,979,371	7,111,595	16,589,474			(12,287,001)	(33,741,959)		(19,958,146)	(18,324,118)	0.41%	(5,641)
17		Actual	6,698,871	6,894,090	16,538,172			(4,909,156)	(38,651,348)		(22,662,272)	(21,410,209)	0.42%	(7,412)
18		Actual	9,994,938	9,638,688	17,919,939			(3,660,945)	(39,961,391)		(23,966,073)	(24,818,377)	0.42%	(8,070)
19		Actual	12,021,858	6,696,610	17,459,479			(4,220,419)	(44,258,494)		(25,408,082)	(25,485,095)	0.38%	(8,069)
20		Actual	12,278,089	8,133,063	17,954,022			(2,964,148)	(46,484,418)	13,314	(25,582,078)	(25,064,072)	0.38%	(6,317)
21		Actual	11,769,626	6,498,636	17,111,026	(2,173,760)		(1,595,021)	(44,845,419)		(27,572,853)	(27,572,853)	0.38%	(7,709)
22		Actual	11,762,903	6,101,933	19,495,079			(2,747,592)	(48,638,964)		(27,822,451)	(27,822,451)	0.38%	(8,049)
23		Projected	11,104,617	5,620,070	13,950,580			(73,474)	(48,638,964)		(27,822,451)	(27,822,451)	0.38%	(8,209)
24		Projected	10,461,102	7,132,503	15,898,852			(1,038,910)	(47,736,564)		(28,237,361)	(27,923,686)	0.38%	(8,307)
25														
26		Total Interest Aug2012-May2013						(72,899)						
27		Total Credit/(Under) Recovered Balance						(47,811,951)						(72,899)

Line	Month	Deferal Starting Balance	Starting Balance	Amortization	Interest	Ending Balance
1	Jul-12	\$ 126,973,199	\$ 126,973,199	\$ 2,701,557	\$ 57,082	\$ 124,271,641
2	Aug-12	\$ 124,271,641	\$ 124,271,641	\$ 2,701,557	\$ 55,855	\$ 121,570,084
3	Sep-12	\$ 121,570,084	\$ 121,570,084	\$ 2,701,557	\$ 54,627	\$ 118,868,527
4	Oct-12	\$ 118,868,527	\$ 118,868,527	\$ 2,701,557	\$ 53,400	\$ 116,166,969
5	Nov-12	\$ 116,166,969	\$ 116,166,969	\$ 2,701,557	\$ 52,172	\$ 113,465,412
6	Dec-12	\$ 113,465,412	\$ 113,465,412	\$ 2,701,557	\$ 50,945	\$ 110,763,854
7	Jan-13	\$ 110,763,854	\$ 110,763,854	\$ 2,701,557	\$ 49,717	\$ 108,062,297
8	Feb-13	\$ 108,062,297	\$ 108,062,297	\$ 2,701,557	\$ 48,489	\$ 105,360,739
9	Mar-13	\$ 105,360,739	\$ 105,360,739	\$ 2,701,557	\$ 47,262	\$ 102,659,182
10	Apr-13	\$ 102,659,182	\$ 102,659,182	\$ 2,701,557	\$ 46,034	\$ 99,957,625
11	May-13	\$ 99,957,625	\$ 99,957,625	\$ 2,701,557	\$ 44,807	\$ 97,256,067
12	Jun-13	\$ 97,256,067	\$ 97,256,067	\$ 2,701,557	\$ 43,579	\$ 94,554,510
13	Jul-13	\$ 94,554,510	\$ 94,554,510	\$ 2,701,557	\$ 42,352	\$ 91,852,952
14	Aug-13	\$ 91,852,952	\$ 91,852,952	\$ 2,701,557	\$ 41,124	\$ 89,151,395
15	Sep-13	\$ 89,151,395	\$ 89,151,395	\$ 2,701,557	\$ 39,896	\$ 86,449,838
16	Oct-13	\$ 86,449,838	\$ 86,449,838	\$ 2,701,557	\$ 38,669	\$ 83,748,280
17	Nov-13	\$ 83,748,280	\$ 83,748,280	\$ 2,701,557	\$ 37,441	\$ 81,046,723
18	Dec-13	\$ 81,046,723	\$ 81,046,723	\$ 2,701,557	\$ 36,214	\$ 78,345,165
19	Jan-14	\$ 78,345,165	\$ 78,345,165	\$ 2,701,557	\$ 34,986	\$ 75,643,608
20	Feb-14	\$ 75,643,608	\$ 75,643,608	\$ 2,701,557	\$ 33,758	\$ 72,942,050
21	Mar-14	\$ 72,942,050	\$ 72,942,050	\$ 2,701,557	\$ 32,531	\$ 70,240,493
22	Apr-14	\$ 70,240,493	\$ 70,240,493	\$ 2,701,557	\$ 31,303	\$ 67,538,936
23	May-14	\$ 67,538,936	\$ 67,538,936	\$ 2,701,557	\$ 30,076	\$ 64,837,378
24	Jun-14	\$ 64,837,378	\$ 64,837,378	\$ 2,701,557	\$ 28,848	\$ 62,135,821
25	Jul-14	\$ 62,135,821	\$ 62,135,821	\$ 2,701,557	\$ 27,621	\$ 59,434,263
26	Aug-14	\$ 59,434,263	\$ 59,434,263	\$ 2,701,557	\$ 26,393	\$ 56,732,706
27	Sep-14	\$ 56,732,706	\$ 56,732,706	\$ 2,701,557	\$ 25,165	\$ 54,031,148
28	Oct-14	\$ 54,031,148	\$ 54,031,148	\$ 2,701,557	\$ 23,938	\$ 51,329,591
29	Nov-14	\$ 51,329,591	\$ 51,329,591	\$ 2,701,557	\$ 22,710	\$ 48,628,034
30	Dec-14	\$ 48,628,034	\$ 48,628,034	\$ 2,701,557	\$ 21,483	\$ 45,926,476
31	Jan-15	\$ 45,926,476	\$ 45,926,476	\$ 2,701,557	\$ 20,255	\$ 43,224,919
32	Feb-15	\$ 43,224,919	\$ 43,224,919	\$ 2,701,557	\$ 19,027	\$ 40,523,361
33	Mar-15	\$ 40,523,361	\$ 40,523,361	\$ 2,701,557	\$ 17,800	\$ 37,821,804
34	Apr-15	\$ 37,821,804	\$ 37,821,804	\$ 2,701,557	\$ 16,572	\$ 35,120,246
35	May-15	\$ 35,120,246	\$ 35,120,246	\$ 2,701,557	\$ 15,346	\$ 32,418,689
36	Jun-15	\$ 32,418,689	\$ 32,418,689	\$ 2,701,557	\$ 14,117	\$ 29,717,132
37	Jul-15	\$ 29,717,132	\$ 29,717,132	\$ 2,701,557	\$ 12,890	\$ 27,015,574
38	Aug-15	\$ 27,015,574	\$ 27,015,574	\$ 2,701,557	\$ 11,662	\$ 24,314,017
39	Sep-15	\$ 24,314,017	\$ 24,314,017	\$ 2,701,557	\$ 10,434	\$ 21,612,459
40	Oct-15	\$ 21,612,459	\$ 21,612,459	\$ 2,701,557	\$ 9,207	\$ 18,910,902
41	Nov-15	\$ 18,910,902	\$ 18,910,902	\$ 2,701,557	\$ 7,979	\$ 16,209,345
42	Dec-15	\$ 16,209,345	\$ 16,209,345	\$ 2,701,557	\$ 6,752	\$ 13,507,787
43	Jan-16	\$ 13,507,787	\$ 13,507,787	\$ 2,701,557	\$ 5,524	\$ 10,806,230
44	Feb-16	\$ 10,806,230	\$ 10,806,230	\$ 2,701,557	\$ 4,297	\$ 8,104,672
45	Mar-16	\$ 8,104,672	\$ 8,104,672	\$ 2,701,557	\$ 3,069	\$ 5,403,115
46	Apr-16	\$ 5,403,115	\$ 5,403,115	\$ 2,701,557	\$ 1,841	\$ 2,701,557
47	May-16	\$ 2,701,557	\$ 2,701,557	\$ 2,701,557	\$ 614	\$ 0
48	Jun-16	\$ 0	\$ 0	\$ -	\$ 0	\$ 0

Notes: 1) Monthly Amortizations = Amortization Balance Per Year / 12 Months (Adjusted for 47 month Amortization)
 2) Interest = Average Monthly Balance * Interest Rate Per Month
 Average Monthly Balance = (Prior Month Balance + Current Month Balance) / 2
 Interest Rate Per Month = Interest Rate (After Tax) / 12 months

Settlement Schedule 2

Line No.

Table 1 Projected Comprehensive Resource Analysis Program Expenditures June 2013 - May 2014

Line No.	Month	Projected Expenditure
1		
2		
3		
4		
5	Jun-13	\$ 2,757,545
6	Jul-13	\$ 2,804,674
7	Aug-13	\$ 2,804,674
8	Sep-13	\$ 2,804,674
9	Oct-13	\$ 2,804,674
10	Nov-13	\$ 2,804,674
11	Dec-13	\$ 2,804,674
12	Jan-14	\$ 2,804,674
13	Feb-14	\$ 2,804,674
14	Mar-14	\$ 2,804,674
15	Apr-14	\$ 2,804,674
16	May-14	\$ 2,804,670
17		
18	Total	\$ 33,608,955
19		
20		

=Line 23
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Per NJBPU EO07030203 Order dated 9/30/2008 2012 Annual Expenditure Less June 2013 directly from NJBPU Request For Public Comment dated August 17, 2012

21		\$ 33,608,955
22		
23		\$ 2,757,545
24		\$ 30,851,410
25	Number of Months	11
26	Monthly Funding Level for July 2013 to May 2014	\$ 2,804,674
27		
28		
29		
30		

=Line 21 - Line 23
 =Line 24 / Line 25

Table 2 Clean Energy Program Funding Rate Design June 2013 - May 2014

31	Total Period Expenditures	\$ 33,608,955
32	Recovery of NJ Clean Energy Program Funding Deferral Balance	\$ 808,610
33	Total Clean Energy Program Recovery	\$ 34,417,565
34	Projected Delivered Sales June 2013 - May 2014	\$ 9,628,937,215
35	Clean Energy Program Funding Rate (\$/kWh)	\$ 0.003574
36	BPU Assessment	\$ 0.000018
37	Rate without SUT (\$/kWh)	\$ 0.003592
38	Rate including SUT (\$/kWh)	\$ 0.003843

=Line 18
 Settlement Schedule 2, Page 2, Col 7 Row 27
 =Line 31 + Line 32

Atlantic City Electric Company
 Summary of Clean Energy Program Deferral
 Rates Effective For Period June 2013 - May 2014
 Updated for Actuals through March 2013

Line No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 5	Col. 5	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
	Actual	Month	Revenues	Expenses	Deferral	Pre-Tax Deferral Cumulative	Interest Rollover	After-Tax Deferral Cumulative	After-Tax Average Monthly Balance	Annual Interest Rate	Interest		
1	Actual	Jun-11	\$ 581,498	\$ 2,362,988	\$ (1,781,490)	\$ 25,479,330	\$	\$ 15,071,024	\$ 15,597,869	0.31%	\$ 4,022		
2	Actual	Jul-11	\$ 733,750	\$ 2,630,419	\$ (1,896,669)	\$ 23,582,681	\$	\$ 13,949,144	\$ 14,510,084	0.29%	\$ 3,534		
3	Actual	Aug-11	\$ 787,212	\$ 3,004,616	\$ (2,207,405)	\$ 21,439,338	\$	\$ 12,681,369	\$ 13,315,256	0.34%	\$ 3,811		
4	Actual	Sep-11	\$ 678,580	\$ 2,844,922	\$ (2,166,343)	\$ 19,272,996	\$ 64,082	\$ 11,389,977	\$ 12,040,673	0.30%	\$ 3,010		
5	Actual	Oct-11	\$ 527,486	\$ 2,344,880	\$ (1,817,395)	\$ 17,455,601	\$	\$ 10,324,988	\$ 10,862,482	0.64%	\$ 5,773		
6	Actual	Nov-11	\$ 451,383	\$ 1,913,584	\$ (1,462,201)	\$ 15,993,400	\$	\$ 9,460,096	\$ 9,892,542	0.66%	\$ 5,446		
7	Actual	Dec-11	\$ 502,342	\$ 2,420,775	\$ (1,918,433)	\$ 14,074,967	\$	\$ 8,325,343	\$ 8,982,719	0.72%	\$ 5,317		
8	Actual	Jan-12	\$ 544,711	\$ 2,950,621	\$ (1,815,910)	\$ 12,259,056	\$	\$ 7,251,232	\$ 7,788,287	0.83%	\$ 5,388		
9	Actual	Feb-12	\$ 502,605	\$ 2,886,631	\$ (2,184,026)	\$ 10,075,031	\$	\$ 5,958,381	\$ 6,805,306	0.85%	\$ 4,662		
10	Actual	Mar-12	\$ 488,522	\$ 2,792,019	\$ (2,303,497)	\$ 7,771,533	\$	\$ 4,586,862	\$ 5,278,121	0.90%	\$ 3,939		
11	Actual	Apr-12	\$ 448,306	\$ 2,434,547	\$ (1,886,241)	\$ 5,785,292	\$	\$ 3,422,000	\$ 4,009,431	0.92%	\$ 3,080		
12	Actual	May-12	\$ 470,052	\$ 2,360,073	\$ (1,890,020)	\$ 3,895,272	\$	\$ 2,304,053	\$ 2,863,027	0.42%	\$ 994		
13	Actual	Jun-12	\$ 554,712	\$ 2,760,736	\$ (2,206,025)	\$ 1,689,248	\$	\$ 989,180	\$ 1,651,622	0.41%	\$ 571		
14	Actual	Jul-12	\$ 2,278,526	\$ 3,255,781	\$ (977,256)	\$ 711,992	\$	\$ 421,143	\$ 710,167	0.42%	\$ 248		
15	Actual	Aug-12	\$ 3,738,471	\$ 3,696,830	\$ 41,640	\$ 41,640	\$ 42,240	\$ 470,758	\$ 445,951	0.41%	\$ 154		
16	Actual	Sep-12	\$ 3,276,240	\$ 3,439,458	\$ (163,218)	\$ 632,654	\$	\$ 374,215	\$ 422,487	0.41%	\$ 146		
17	Actual	Oct-12	\$ 2,411,918	\$ 2,878,128	\$ (467,210)	\$ 165,444	\$	\$ 97,860	\$ 236,038	0.42%	\$ 82		
18	Actual	Nov-12	\$ 2,084,228	\$ 2,227,465	\$ (143,237)	\$ 22,208	\$	\$ 13,136	\$ 55,498	0.42%	\$ 19		
19	Actual	Dec-12	\$ 2,763,344	\$ 2,481,436	\$ 281,908	\$ 308,483	\$	\$ 183,059	\$ 232,371	0.41%	\$ 442		
20	Actual	Jan-13	\$ 2,487,573	\$ 2,658,157	\$ (170,585)	\$ 138,898	\$	\$ 82,158	\$ 132,609	0.39%	\$ 43		
21	Actual	Feb-13	\$ 2,363,328	\$ 2,787,770	\$ (404,444)	\$ (265,546)	\$	\$ (157,070)	\$ (37,456)	0.36%	\$ (11)		
22	Actual	Mar-13	\$ 2,406,407	\$ 2,618,146	\$ (211,739)	\$ (477,285)	\$	\$ (282,314)	\$ (219,682)	0.36%	\$ (65)		
23	Projected	Apr-13	\$ 2,319,831	\$ 2,428,087	\$ (108,256)	\$ (585,541)	\$	\$ (346,347)	\$ (314,331)	0.36%	\$ (93)		
24	Projected	May-13	\$ 2,223,629	\$ 2,447,292	\$ (223,663)	\$ (808,204)	\$	\$ (478,644)	\$ (412,496)	0.36%	\$ (123)		
25													
26	Total Interest Aug2012-May2013		\$			\$ 594					\$		\$ 594
27	Total Over/(Under) Recovered Balance					\$ (808,610)							

Settlement Schedule 3

Line No.		
1	Projected Uncollectible Expense (June 2013 - May 2014)	\$ 14,569,330 Settlement Schedule 3, Page 4 Line 15
2		
3	Projected Over Recovered Balance At May 2013	\$ (1,989,171) Settlement Schedule 3 Page 2, Column 7 Line 27
4		
5	Annual Levelized Recovery at June 2013 Balance (Amortization ending May 2016)	\$ 2,802,888 Settlement Schedule 3 Page 3, Column 3 Line 11
6	Interest on UNC Balance being Amortized June 2013 - May 2014	\$ 38,209 Settlement Schedule 3 Page 3, Column 4 Line 11
7	Total Estimated Balance Recovery June 2013 - May 2014	\$ 2,841,097
8		
9	Total Uncollectible Recovery	\$ 15,521,256 Line 1 + Line 3 + Line 7
10		
11	Projected Delivered Sales June 2013 - May 2014	9,628,937,215
12	Uncollectible Rate (\$/kWh)	\$ 0.001612
13	BPU/RPA Revenue Assessment	\$ 0.000008
14	Final Uncollectible Rate (\$/kWh)	\$ 0.001620
15	Final Uncollectible Rate including SUT (\$/kWh)	\$ 0.001733

Line No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6a	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
	Actual	Actual	Month	Uncollectible Accounts Revenues	Uncollectible Accounts Expenses	Prior Period & Stipulated Adjustments Expenses (A-)	Net Uncollectible Deferral	Pre-Tax Cumulative Deferral	Interest Rollover	After-Tax Deferral Cumulative	After-Tax Average Monthly Balance	Annual Interest Rate	Interest
1	Actual	Jun-11		\$ 1,252,647	\$ 471,029	\$ -	\$ 781,617	\$ (12,373,224)	\$ -	\$ (7,318,762)	\$ (7,549,926)	0.31%	\$ (1,947)
2	Actual	Jul-11		\$ 1,582,434	\$ 1,056,709	\$ -	\$ 525,725	\$ (11,846,499)	\$ -	\$ (7,007,204)	\$ (7,162,983)	0.29%	\$ (1,745)
3	Actual	Aug-11		\$ 1,716,771	\$ 1,242,100	\$ -	\$ 474,671	\$ (11,395,785)	\$ (25,956)	\$ (6,740,807)	\$ (6,873,906)	0.34%	\$ (1,968)
4	Actual	Sep-11		\$ 1,462,820	\$ 2,479,604	\$ -	\$ (1,016,684)	\$ (12,412,469)	\$ -	\$ (7,341,975)	\$ (7,041,291)	0.30%	\$ (1,760)
5	Actual	Oct-11		\$ 1,134,547	\$ 670,190	\$ -	\$ 464,358	\$ (11,946,111)	\$ -	\$ (7,067,308)	\$ (6,945,641)	0.64%	\$ (3,829)
6	Actual	Nov-11		\$ 972,264	\$ 560,111	\$ -	\$ 412,153	\$ (11,535,958)	\$ -	\$ (6,823,519)	\$ (6,945,641)	0.66%	\$ (3,823)
7	Actual	Dec-11		\$ 1,061,861	\$ 1,565,218	\$ -	\$ (483,337)	\$ (12,019,295)	\$ -	\$ (7,109,413)	\$ (6,968,466)	0.72%	\$ (4,165)
8	Actual	Jan-12		\$ 1,172,398	\$ 877,177	\$ -	\$ 295,221	\$ (11,724,075)	\$ -	\$ (6,934,790)	\$ (6,847,693)	0.83%	\$ (4,833)
9	Actual	Feb-12		\$ 1,081,931	\$ 787,435	\$ -	\$ 294,496	\$ (11,540,156)	\$ -	\$ (6,760,595)	\$ (6,793,300)	0.85%	\$ (4,833)
10	Actual	Mar-12		\$ 1,052,880	\$ 1,163,460	\$ -	\$ (110,580)	\$ (11,429,578)	\$ -	\$ (6,826,004)	\$ (6,740,813)	0.90%	\$ (5,070)
11	Actual	Apr-12		\$ 965,953	\$ 677,902	\$ -	\$ 288,051	\$ (11,252,108)	\$ -	\$ (6,655,622)	\$ (6,558,453)	0.92%	\$ (5,178)
12	Actual	May-12		\$ 1,012,341	\$ 683,793	\$ -	\$ 328,548	\$ (10,923,559)	\$ -	\$ (6,461,285)	\$ (6,068,146)	0.41%	\$ (2,088)
13	Actual	Jun-12		\$ 1,195,543	\$ (133,754)	\$ -	\$ 1,329,297	\$ (9,594,263)	\$ -	\$ 867,223	\$ 842,846	0.42%	\$ 285
14	Actual	Jul-12		\$ 1,840,711	\$ 1,319,776	\$ 10,739,470	\$ 11,060,405	\$ 1,605,580	\$ (39,566)	\$ 950,292	\$ 908,758	0.41%	\$ 313
15	Actual	Aug-12		\$ 1,853,821	\$ 1,445,414	\$ (238,403)	\$ 180,004	\$ (676,480)	\$ -	\$ (400,138)	\$ 275,077	0.41%	\$ 95
16	Actual	Sep-12		\$ 1,626,660	\$ 3,671,423	\$ (238,297)	\$ (2,283,060)	\$ (524,012)	\$ -	\$ (309,953)	\$ (355,046)	0.42%	\$ (123)
17	Actual	Oct-12		\$ 1,197,694	\$ 807,036	\$ (238,065)	\$ 152,467	\$ (428,667)	\$ -	\$ (254,266)	\$ (282,110)	0.42%	\$ (89)
18	Actual	Nov-12		\$ 1,035,369	\$ 703,158	\$ (237,979)	\$ 94,146	\$ 878,061	\$ 1,268	\$ 519,373	\$ 178,993	0.41%	\$ 185
19	Actual	Dec-12		\$ 1,305,695	\$ (236,943)	\$ (237,766)	\$ 1,306,659	\$ 987,507	\$ -	\$ 590,028	\$ 554,699	0.39%	\$ 181
20	Actual	Jan-13		\$ 1,235,688	\$ 878,370	\$ (237,873)	\$ 119,446	\$ 1,111,691	\$ -	\$ 657,565	\$ 623,795	0.36%	\$ 185
21	Actual	Feb-13		\$ 1,188,840	\$ 836,690	\$ (237,660)	\$ 114,184	\$ 2,248,693	\$ -	\$ 1,330,102	\$ 993,833	0.36%	\$ 296
22	Actual	Mar-13		\$ 1,195,471	\$ (179,191)	\$ (237,564)	\$ 1,137,002	\$ 2,103,623	\$ -	\$ 1,244,293	\$ 1,287,197	0.36%	\$ 363
23	Projected	Apr-13		\$ 1,452,359	\$ 1,059,884	\$ (237,448)	\$ (145,069)	\$ 1,987,395	\$ -	\$ 1,175,544	\$ 1,209,919	0.36%	\$ 360
24	Projected	May-13		\$ 1,104,581	\$ 983,361	\$ -	\$ (115,228)	\$ -	\$ -	\$ -	\$ -	0.36%	\$ -
25													
26	Total Interest	Aug-2012-May-2013						1,776					1,776
27	Total Over/(Under)	Recovered Balance						1,989,171					

Line	Period	Month	Deferal Starting Balance	Starting Balance	Total Amortization	Interest	Total Ending Balance
1	1	Jul-12	\$ 10,977,980	\$ 10,977,980	\$ 233,574	\$ 4,935	\$ 10,744,406
2	2	Aug-12	\$ 10,744,406	\$ 10,744,406	\$ 233,574	\$ 4,829	\$ 10,510,832
3	3	Sep-12	\$ 10,510,832	\$ 10,510,832	\$ 233,574	\$ 4,723	\$ 10,277,258
4	4	Oct-12	\$ 10,277,258	\$ 10,277,258	\$ 233,574	\$ 4,617	\$ 10,043,683
5	5	Nov-12	\$ 10,043,683	\$ 10,043,683	\$ 233,574	\$ 4,511	\$ 9,810,109
6	6	Dec-12	\$ 9,810,109	\$ 9,810,109	\$ 233,574	\$ 4,405	\$ 9,576,535
7	7	Jan-13	\$ 9,576,535	\$ 9,576,535	\$ 233,574	\$ 4,298	\$ 9,342,961
8	8	Feb-13	\$ 9,342,961	\$ 9,342,961	\$ 233,574	\$ 4,192	\$ 9,109,387
9	9	Mar-13	\$ 9,109,387	\$ 9,109,387	\$ 233,574	\$ 4,086	\$ 8,875,813
10	10	Apr-13	\$ 8,875,813	\$ 8,875,813	\$ 233,574	\$ 3,980	\$ 8,642,239
11	11	May-13	\$ 8,642,239	\$ 8,642,239	\$ 233,574	\$ 3,874	\$ 8,408,665
12	12	Jun-13	\$ 8,408,665	\$ 8,408,665	\$ 233,574	\$ 3,768	\$ 8,175,091
13	13	Jul-13	\$ 8,175,091	\$ 8,175,091	\$ 233,574	\$ 3,662	\$ 7,941,517
14	14	Aug-13	\$ 7,941,517	\$ 7,941,517	\$ 233,574	\$ 3,556	\$ 7,707,943
15	15	Sep-13	\$ 7,707,943	\$ 7,707,943	\$ 233,574	\$ 3,449	\$ 7,474,369
16	16	Oct-13	\$ 7,474,369	\$ 7,474,369	\$ 233,574	\$ 3,343	\$ 7,240,795
17	17	Nov-13	\$ 7,240,795	\$ 7,240,795	\$ 233,574	\$ 3,237	\$ 7,007,221
18	18	Dec-13	\$ 7,007,221	\$ 7,007,221	\$ 233,574	\$ 3,131	\$ 6,773,647
19	19	Jan-14	\$ 6,773,647	\$ 6,773,647	\$ 233,574	\$ 3,025	\$ 6,540,073
20	20	Feb-14	\$ 6,540,073	\$ 6,540,073	\$ 233,574	\$ 2,919	\$ 6,306,499
21	21	Mar-14	\$ 6,306,499	\$ 6,306,499	\$ 233,574	\$ 2,813	\$ 6,072,925
22	22	Apr-14	\$ 6,072,925	\$ 6,072,925	\$ 233,574	\$ 2,706	\$ 5,839,351
23	23	May-14	\$ 5,839,351	\$ 5,839,351	\$ 233,574	\$ 2,600	\$ 5,605,777
24	24	Jun-14	\$ 5,605,777	\$ 5,605,777	\$ 233,574	\$ 2,494	\$ 5,372,203
25	25	Jul-14	\$ 5,372,203	\$ 5,372,203	\$ 233,574	\$ 2,388	\$ 5,138,629
26	26	Aug-14	\$ 5,138,629	\$ 5,138,629	\$ 233,574	\$ 2,282	\$ 4,905,055
27	27	Sep-14	\$ 4,905,055	\$ 4,905,055	\$ 233,574	\$ 2,176	\$ 4,671,481
28	28	Oct-14	\$ 4,671,481	\$ 4,671,481	\$ 233,574	\$ 2,070	\$ 4,437,907
29	29	Nov-14	\$ 4,437,907	\$ 4,437,907	\$ 233,574	\$ 1,964	\$ 4,204,333
30	30	Dec-14	\$ 4,204,333	\$ 4,204,333	\$ 233,574	\$ 1,857	\$ 3,970,759
31	31	Jan-15	\$ 3,970,759	\$ 3,970,759	\$ 233,574	\$ 1,751	\$ 3,737,185
32	32	Feb-15	\$ 3,737,185	\$ 3,737,185	\$ 233,574	\$ 1,645	\$ 3,503,611
33	33	Mar-15	\$ 3,503,611	\$ 3,503,611	\$ 233,574	\$ 1,539	\$ 3,270,036
34	34	Apr-15	\$ 3,270,036	\$ 3,270,036	\$ 233,574	\$ 1,433	\$ 3,036,462
35	35	May-15	\$ 3,036,462	\$ 3,036,462	\$ 233,574	\$ 1,327	\$ 2,802,888
36	36	Jun-15	\$ 2,802,888	\$ 2,802,888	\$ 233,574	\$ 1,221	\$ 2,569,314
37	37	Jul-15	\$ 2,569,314	\$ 2,569,314	\$ 233,574	\$ 1,114	\$ 2,335,740
38	38	Aug-15	\$ 2,335,740	\$ 2,335,740	\$ 233,574	\$ 1,008	\$ 2,102,166
39	39	Sep-15	\$ 2,102,166	\$ 2,102,166	\$ 233,574	\$ 902	\$ 1,868,592
40	40	Oct-15	\$ 1,868,592	\$ 1,868,592	\$ 233,574	\$ 796	\$ 1,635,018
41	41	Nov-15	\$ 1,635,018	\$ 1,635,018	\$ 233,574	\$ 690	\$ 1,401,444
42	42	Dec-15	\$ 1,401,444	\$ 1,401,444	\$ 233,574	\$ 584	\$ 1,167,870
43	43	Jan-16	\$ 1,167,870	\$ 1,167,870	\$ 233,574	\$ 478	\$ 934,296
44	44	Feb-16	\$ 934,296	\$ 934,296	\$ 233,574	\$ 371	\$ 700,722
45	45	Mar-16	\$ 700,722	\$ 700,722	\$ 233,574	\$ 265	\$ 467,148
46	46	Apr-16	\$ 467,148	\$ 467,148	\$ 233,574	\$ 159	\$ 233,574
47	47	May-16	\$ 233,574	\$ 233,574	\$ 233,574	\$ 53	\$ 0
48	48	Jun-16	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Notes: 1) Monthly Amortizations = Amortization Balance Per Year / 12 Months
 2) Interest = Average Monthly Balance * Interest Rate Per Month
 Average Monthly Balance = (Prior Month Balance + Current Month Balance) / 2
 Interest Rate Per Month = Interest Rate (After Tax) / 12 months

Atlantic City Electric Company
 Uncollectible Charge Rate Design
 Rates Effective For Period June 2013 - May 2014
 Updated for Actuals through March 2013

Forecasted Uncollectible Expense

Line No.	Month	Total Billed Revenues	Uncollectible Rate	Uncollectible Expense
1				
2	Jun-13	\$ 106,019,288	1.113%	\$ 1,179,995
3	Jul-13	\$ 141,237,015	1.113%	\$ 1,571,968
4	Aug-13	\$ 153,362,491	1.113%	\$ 1,706,925
5	Sep-13	\$ 137,837,746	1.113%	\$ 1,534,134
6	Oct-13	\$ 97,133,719	1.113%	\$ 1,081,098
7	Nov-13	\$ 86,833,298	1.113%	\$ 966,455
8	Dec-13	\$ 97,276,423	1.113%	\$ 1,082,687
9	Jan-14	\$ 113,299,565	1.113%	\$ 1,261,024
10	Feb-14	\$ 105,032,973	1.113%	\$ 1,169,017
11	Mar-14	\$ 100,373,921	1.113%	\$ 1,117,162
12	Apr-14	\$ 92,862,572	1.113%	\$ 1,033,560
13	May-14	\$ 86,730,096	1.113%	\$ 965,306
14				
15	Total Period			\$ 14,669,330

Settlement Schedule 4

Line No.	Table 1 Summary of Estimated Program Expenditures June 2013 - May 2014		
	Residential Program		
1	Residential AC Customers	17,000	
2	Residential Water Heating Customers	6,000	
3	Assumed Cycling Events	4	
4	Number of Billing Credit Months	4	
5	Credit per Month per Device	\$ 1.50	
6	Credit per Event	\$ 1.50	
7			
8	Calculation of Total Residential Credit		
9	Billing Credit	\$ 138,000	=(Line 1 +Line 2) x Line 4 x Line 5
10	Cycling Credit	\$ 138,000	=(Line 1 +Line 2) x Line 3 x Line 6
11	Total Residential Credit	\$ 276,000	=Line 9 + Line 10
12			
13			
14	Commercial Program		
15	Commercial Load Drop (kW)	5,318	
16			
17	Assumed Cycling Events	4	
18	Number of Billing Credit Months	4	
19	Credit per Month per kW	\$ 1.50	
20	Credit per Event	\$ 1.50	
21			
22	Calculation of Total Commercial Credit		
23	Billing Credit	\$ 31,896	=Line 15 x Line 18 x Line 19
24	Cycling Credit	\$ 31,896	=Line 15 x Line 17 x Line 20
25	Total Commercial Credit	\$ 63,792	=Line 23 + Line 24
26			
27	Total Residential and Commercial Credit Annually	\$ 339,792	=Line 11 + Line 25
28	Maintenance Contract Annually (12 Months)	\$ 72,039	
29			
30	Total Projected Expenditure June 2013 - May 2014 (Title Corrected)	\$ 411,831	=Line 27 + Line 28

Line No.	Table 2 System Control Charge Rate Design June 2013 - May 2014 (Title Corrected)		
35	Projected Program Costs June 2013 - May 2014	\$ 411,831	=Line 30
36	Recovery of Deferral Balance	\$ (71,362)	Settlement Schedule 4, Page 2 Col 7 Line 27
37	Total System Control Charge Recovery	\$ 340,469	=+Line 35 + Line 36
38	Projected Delivered Sales June 2013 - May 2014	9,628,937,215	
39	System Control Charge (\$/kWh)	\$ 0.000035	
40	BPU Assessment	\$ 0.000000	
41	Rate without SUT (\$/kWh)	\$ 0.000035	
42	Rate including SUT (\$/kWh)	\$ 0.000036	

Atlantic City Electric Company
 Summary of System Control Charge
 Rates Effective For Period June 2013 - May 2014
 Updated for Actuals through March 2013

Line No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
	Actual	Month	Revenues	Expenses	Deferral	Pre-Tax Deferral Cumulative	Interest Rollover	After-Tax Deferral Cumulative	Average Monthly Balance	Annual Interest Rate	Interest	
1	Actual	Jun-11	\$ (55,751)	\$ 128,676	\$ (184,427)	\$ 1,204,795	\$	\$ 712,886	\$ 767,180	0.31%	\$ 198	
2	Actual	Jul-11	\$ (70,067)	\$ 128,323	\$ (188,290)	\$ 1,006,405	\$	\$ 586,269	\$ 683,962	0.29%	\$ 159	
3	Actual	Aug-11	\$ (75,933)	\$ 45,580	\$ (121,523)	\$ 888,007	\$ 3,126	\$ 525,256	\$ 580,272	0.34%	\$ 163	
4	Actual	Sep-11	\$ (64,858)	\$	\$ (64,858)	\$ 823,149	\$	\$ 486,893	\$ 506,074	0.30%	\$ 127	
5	Actual	Oct-11	\$ (50,662)	\$ 6,464	\$ (57,126)	\$ 766,024	\$	\$ 453,103	\$ 489,998	0.64%	\$ 250	
6	Actual	Nov-11	\$ (43,573)	\$ 12,868	\$ (56,461)	\$ 709,563	\$	\$ 419,706	\$ 436,405	0.66%	\$ 240	
7	Actual	Dec-11	\$ (46,239)	\$ 6,592	\$ (54,886)	\$ 654,676	\$	\$ 387,241	\$ 403,474	0.72%	\$ 241	
8	Actual	Jan-12	\$ (52,206)	\$ 6,464	\$ (58,670)	\$ 596,006	\$	\$ 352,538	\$ 369,889	0.83%	\$ 256	
9	Actual	Feb-12	\$ (48,306)	\$ 6,528	\$ (54,834)	\$ 541,173	\$	\$ 320,104	\$ 336,321	0.85%	\$ 237	
10	Actual	Mar-12	\$ (47,053)	\$ 6,729	\$ (53,782)	\$ 487,390	\$	\$ 288,291	\$ 304,187	0.90%	\$ 227	
11	Actual	Apr-12	\$ (43,292)	\$ 6,528	\$ (49,819)	\$ 437,571	\$	\$ 258,823	\$ 273,557	0.92%	\$ 210	
12	Actual	May-12	\$ (45,358)	\$ 44,427	\$ (89,785)	\$ 347,786	\$	\$ 205,715	\$ 232,269	0.42%	\$ 81	
13	Actual	Jun-12	\$ (53,305)	\$ 42,808	\$ (96,113)	\$ 251,673	\$	\$ 148,865	\$ 177,280	0.41%	\$ 61	
14	Actual	Jul-12	\$ (24,306)	\$ 78,911	\$ (103,217)	\$ 148,456	\$	\$ 87,812	\$ 116,338	0.42%	\$ 41	
15	Actual	Aug-12	\$ 10,599	\$ 42,789	\$ (32,190)	\$ 118,398	\$ 2,132	\$ 70,032	\$ 78,922	0.41%	\$ 27	
16	Actual	Sep-12	\$ 9,634	\$ 6,655	\$ 2,978	\$ 121,376	\$	\$ 71,794	\$ 70,913	0.41%	\$ 25	
17	Actual	Oct-12	\$ 6,872	\$ 6,415	\$ 457	\$ 121,834	\$	\$ 72,065	\$ 71,929	0.42%	\$ 25	
18	Actual	Nov-12	\$ 5,863	\$ 6,592	\$ (729)	\$ 121,105	\$	\$ 71,634	\$ 71,849	0.42%	\$ 26	
19	Actual	Dec-12	\$ 11,085	\$ 6,464	\$ 4,621	\$ 126,878	\$ 152	\$ 74,457	\$ 74,407	0.41%	\$ 29	
20	Actual	Jan-13	\$ 7,176	\$	\$ 7,176	\$ 133,054	\$	\$ 78,702	\$ 76,578	0.39%	\$ 25	
21	Actual	Feb-13	\$ 6,865	\$ 6,824	\$ 261	\$ 133,315	\$	\$ 78,656	\$ 78,778	0.36%	\$ 23	
22	Actual	Mar-13	\$ 6,894	\$ 6,784	\$ 110	\$ 133,425	\$	\$ 78,821	\$ 78,868	0.36%	\$ 23	
23	Projected	Apr-13	\$ 6,422	\$ 37,439	\$ (31,017)	\$ 102,408	\$	\$ 60,574	\$ 68,747	0.36%	\$ 21	
24	Projected	May-13	\$ 6,156	\$ 37,439	\$ (31,284)	\$ 71,124	\$	\$ 42,070	\$ 51,322	0.36%	\$ 15	
25												
26												
27	Total Interest Aug 2012-May 2013					\$ 238					\$	238
27	Total Over/(Under) Recovered Balance					\$ 71,362					\$	

Settlement Schedule 5

Proposed Rates (Effective Date: January 1, 2013)
NGC Rates Summer RS is rate Effective July 1, 2012
NGC Rates Winter RS is rate Effective October 1, 2012

Proposed Rates

Rate Class	Customer (KWh)	Annualized Sales										Annualized				
		NGC	Clean Energy	Uncollectible	System Control Charge	NGC	Clean Energy	Uncollectible	System Control Charge	Overall Rate Change	NGC	Clean Energy	Uncollectible	System Control Charge	Overall Revenue Change	
RS Summer	1,802,271,059	\$ (0.007492)	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.024553	\$ 43,654,610	\$ 576,727	\$ (80,639)	\$ 50,464	\$ 44,251,682	
RS Winter	2,652,181,507	\$ 0.023333	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ (0.006272)	\$ (17,578,388)	\$ 851,858	\$ (45,257)	\$ 74,541	\$ (16,697,204)	
RS	4,454,452,566										\$ 26,076,223	\$ 1,428,625	\$ (75,896)	\$ 125,005	\$ 27,553,957	
MGS Secondary	1,209,766,721	\$ 0.012211	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004850	\$ 5,462,417	\$ 388,805	\$ (20,549)	\$ 33,845	\$ 5,862,519	
MGS Primary	16,581,445	\$ 0.014851	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016237	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004717	\$ 72,726	\$ 5,306	\$ (282)	\$ 464	\$ 78,315	
AGS Secondary	2,007,144,694	\$ 0.012211	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004850	\$ 9,070,287	\$ 642,286	\$ (94,121)	\$ 56,200	\$ 9,724,652	
AGS Primary	589,906,387	\$ 0.014851	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016237	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004717	\$ 2,587,329	\$ 189,770	\$ (10,028)	\$ 16,517	\$ 2,782,586	
TGS	1,293,330,110	\$ 0.014851	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016237	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004717	\$ 5,371,773	\$ 401,066	\$ (21,307)	\$ 35,953	\$ 5,786,625	
SPL/CSL	76,012,388	\$ 0.012211	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004850	\$ 343,500	\$ 24,324	\$ (1,282)	\$ 2,128	\$ 368,660	
DDC	12,742,654	\$ 0.012211	\$ 0.003523	\$ 0.001750	\$ 0.000010	\$ 0.016730	\$ 0.003843	\$ 0.001733	\$ 0.000038	\$ 0.004850	\$ 57,584	\$ 4,078	\$ (217)	\$ 357	\$ 61,602	
Total	9,628,937,215										\$ 49,041,839	\$ 3,081,260	\$ (163,692)	\$ 269,610	\$ 52,229,018	

In Order ER12020173 the NJBPJ stated:
 In addition, as a reasonable means of mitigating the big impact in light of changes to the Basic Generation Service rates, the Board HEREBY APPROVES, on a provisional basis, a decrease in the summer NGC charge to a credit of \$0.007492 for the period July 1, 2012 to September 30, 2012, and an increase in the winter NGC rate to \$0.023333 for the period October 1, 2012 through May 31, 2013.

Settlement Schedule 6

Rider (NGC)
Non-Utility Generation Charge (NGC)

Customers receiving service under Electric Rate Schedules RS, MGS, AGS, TS, TGS, DDC, SPL, CSL, STB, SPP are subject to a non-bypassable Non-Utility Generation Charge (NGC).

This charge provided for the full and timely recovery of the following costs:

1. Costs associated with the utility's purchase power contracts with non-utility generators and to recover the stranded costs associated with such commitments. The costs recovered via the NGC are based on the difference between the average estimated cost of energy and capacity in the regional market and the associated costs provided in existing power purchase contracts with non-utility generators. Differences between actual and estimated costs occurring under previously approved rates shall be added or subtracted as appropriate to the estimated costs.
2. Costs associated with the transition to a competitive electric market and the restructuring of the electric utility industry in the State of New Jersey.
3. Costs associated with the Company's generation facilities net of any revenue received from the sale of energy, capacity and ancillary services associated with these units.

The following table provides the component rates of the NGC charge for each rate schedule based on the cost categories listed above in \$ per kWh.

<u>Rate Schedule</u>	<u>Total NGC</u>
RS	\$ 0.016730
MGS Secondary	\$ 0.016730
MGS Primary	\$ 0.016237
AGS Secondary	\$ 0.016730
AGS Primary	\$ 0.016237
TGS	\$ 0.015868
SPL/CSL	\$ 0.016730
DDC	\$ 0.016730

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ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV

Revised Sheet Replaces Revised

Sheet No. 60b

RIDER (BGS) continued
Basic Generation Service (BGS)

CIEP Standby Fee \$0.000161 per kWh

This charge recovers the costs associated with the winning BGS-CIEP bidders maintaining the availability of the hourly priced default electric supply service plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all CIEP- eligible customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary, AGS Primary or TGS.

System Control Charge (SCC) \$0.000038 per kWh

This charge provides for recovery of appliance cycling load management costs. This charge includes administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all electric customers.

Transmission Enhancement Charge

This charge reflects Transmission Enhancement Charges ("TECs"), implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" (as defined in Schedule 12 of the PJM OATT) that are requested by PJM for reliability or economic purposes and approved by the Federal Energy Regulatory Commission (FERC). The TEC charge (in \$ per kWh by Rate Schedule), including administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT, is delineated in the following table.

	Rate Class							
	<u>RS</u>	<u>MGS</u> <u>Secondary</u>	<u>MGS</u> <u>Primary</u>	<u>AGS</u> <u>Secondary</u>	<u>AGS</u> <u>Primary</u>	<u>TGS</u>	<u>SPL/CSL</u>	<u>DDC</u>
VEPCo	0.000218	0.000175	0.000254	0.000132	0.000080	0.000096	-	0.000081
TrAILCo	0.000597	0.000473	0.000682	0.000354	0.000260	0.000217	-	0.000217
PSE&G	0.000476	0.000382	0.000552	0.000286	0.000175	0.000210	-	0.000175
PATH	0.000050	0.000041	0.000058	0.000030	0.000018	0.000022	-	0.000018
PPL	0.000030	0.000024	0.000034	0.000018	0.000011	0.000013	-	0.000011
Pepco	0.000059	0.000047	0.000067	0.000035	0.000021	0.000026	-	0.000021
Delmarva	0.000015	0.000012	0.000017	0.000009	0.000005	0.000006	-	0.000005
AEP - East	0.000002	0.000002	0.000003	0.000001	0.000001	0.000001	-	0.000001
Total	0.001447	0.001156	0.001667	0.000865	0.000571	0.000591	-	0.000529

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