



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor Suite, 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE APPLICATION OF ATLANTIC) ORDER AMENDING RIDERS
CITY ELECTRIC COMPANY TO AMEND ITS PILOT)
REDEVELOPMENT PROGRAM SERVICE TARIFF)
RIDER RP AND ITS PILOT SMALL COMMERCIAL)
DEVELOPMENT TARIFF RIDER SCD TO REVISE AND)
EXPAND THE ELIGIBILITY CRITERIA FOR)
CUSTOMER PARTICIPATION THEREIN) DOCKET NO. ER17010007

Parties of Record:

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

BY THE BOARD:

On December 19, 2016, Atlantic City Electric Company (“ACE” or “Company”) filed a Letter Petition with the New Jersey Board of Public Utilities (“Board”) requesting approval to amend its Redevelopment Program Service Rider (“Rider RPS”) and its Small Commercial Development Service Rider (“Rider SCD”) (collectively, “Programs”) to revise and expand the eligibility criteria for customer participation. (“December 2016 Letter Petition”) By this Decision and Order, the Board considers a Stipulation of Settlement (“Stipulation”) entered into by ACE, Board Staff, and the New Jersey Division of Rate Counsel (collectively, “Parties”) intended to resolve all issues related to this matter.

BACKGROUND

In connection with the Company’s 2016 Base Rate Case, the Board issued an Order¹ dated August 24, 2016 wherein the Board approved certain revised tariff rates and other tariff provisions for ACE. Among the revisions included updating and re-establishing the Rider RPS and Rider SCD on a pilot basis for a five year period. The Programs were designed to provide an economic incentive for small and large businesses to expand existing facilities and/or locate in the southern region of the State served by ACE.

¹ In re 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, for Approval of a Grid Resiliency Program and Cost Recovery Related Thereto, and for Other Appropriate Relief (2016), BPU Docket No. ER16030252; OAL Docket No. PUC 5556-16 [Order dated August 24, 2016.]

DECEMBER FILING

In the December 2016 Letter Petition, ACE asserted that the Programs that were initially proposed, adopted and being offered to potential customers were inadvertently drafted in such a manner that was overly restrictive for the type(s) of customers and businesses that were intended to be reached.

The Company proposed modification and clarification to the Programs' rider language to attract and expand the eligibility criteria for the commercial and industrial customers they were designed to reach. The Company also asserted that clarification of the criteria for new and existing customers was required to improve customer participation. By doing so, ACE believes the economy of south Jersey will benefit consistent with the original intent of the Programs.

STIPULATION

Following review of the petition and discovery responses, the Parties executed the Stipulation on May 10, 2017. The Stipulation provides for the following:²

1. The Company has claimed that the modifications to the eligibility criteria for participation in the Programs as proposed by the Company in the Letter Petition, which are more fully set forth in the revised tariff pages for the Programs (see Exhibit A attached to the Stipulation), are appropriate, and should be approved by the Board. The Company believes that such approval should result in greater customer participation in the Programs and should result in benefits to participating customers through the Programs' discount, and should also benefit the Company's other customers by enhancing the overall economic circumstances in southern New Jersey.
2. The Parties agree that the economic value of all discounts provided by the Programs shall not be borne by the Company's customers, nor shall the Company seek to recover any lost revenue created by the Programs in any future rate proceeding. The Company agrees that in any future base rate proceeding filed while this program is in effect, the Company will provide in the filing testimony explaining the accounting treatment along with a separate schedule providing information on the number of customers under each tariff, the total revenues billed prior to applying the credit and the amount of the credit. The Company will also show the accounting used to book these costs below the line.

DISCUSSION AND FINDING

Based upon its review of the record in this matter, including the December 2016 Letter Petition and the Stipulation, the Board **HEREBY FINDS** that the Stipulation is reasonable and in the public interest by providing incentives for companies to attract and expand business in the Company's service territory, and thereby promote economic as well as employment growth in the Company's service territory. Accordingly, the Board **HEREBY APPROVES** the Stipulation, as if fully set forth herein.

The Board **HEREBY DIRECTS** the Company to file, within five (5) days of service of the Board tariffs consistent with the Board's findings with a tariff effective date of June 15, 2017.

² 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 conclusion in this Order.

In addition, the Board **HEREBY ORDERS** ACE to continue to provide reports to the Board describing the status of its RPS and SCD on an annual basis including, but not limited to, details on the following: the dollar amount of the credits given to customers, the number of new permanent full time employees; the amount of vacant square footage of building space that is purchased or leased, expanded or constructed; the date customer commenced service under the RPS and SCD Riders and length of time for the service.

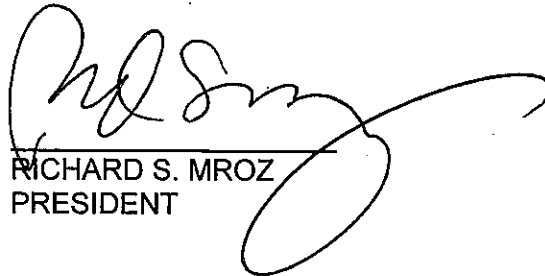
Except for the amendments approved herein, all other provisions of the Company's currently approved RPS and SCD tariffs shall remain in effect.

The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any such actions deemed to be appropriate as a result of any such audit.

The effective date of this Order is June 10, 2017.

DATED: 5/31/17

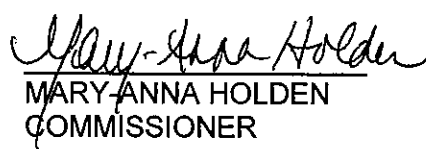
BOARD OF PUBLIC UTILITIES
BY:



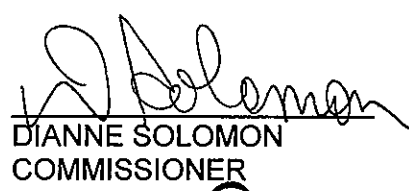
RICHARD S. MROZ
PRESIDENT



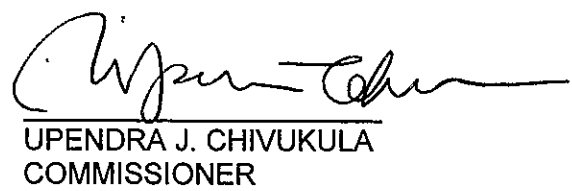
JOSEPH L. FIORDALISO
COMMISSIONER



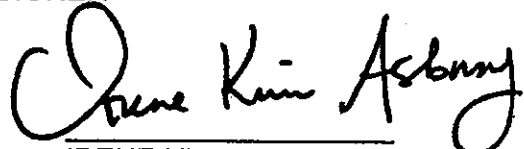
MARY-ANNA HOLDEN
COMMISSIONER

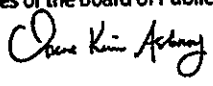


DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
IRENE KIM ASBURY
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 APPLICATION OF ATLANTIC CITY ELECTRIC COMPANY TO
AMEND ITS PILOT REDEVELOPMENT PROGRAM SERVICE TARIFF RIDER RP AND ITS
PILOT SMALL COMMERCIAL DEVELOPMENT TARIFF RIDER SCD TO REVISE AND
EXPAND THE ELIGIBILITY CRITERIA FOR CUSTOMER PARTICIPATION THEREIN
DOCKET NO. ER17010007

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Phillip J. Passanante
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An Exelon Company

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atlanticcityelectric.com

May 10, 2017

**VIA FEDERAL EXPRESS and
ELECTRONIC MAIL**

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board.secretary@bpu.nj.gov

Irene Kim Asbury, Esquire
Secretary of the Board
Board of Public Utilities
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RE: In the Matter of the Application of Atlantic City Electric Company to Amend Its Pilot Redevelopment Program Service Tariff Rider RP and Its Pilot Small Commercial Development Tariff Rider SCD to Revise and Expand the Eligibility Criteria for Customer Participation Therein (2016)
BPU Docket No. ER17010007

Dear Secretary Asbury:

Enclosed herewith for filing are eleven conformed copies of a fully executed Stipulation of Settlement (the "Stipulation") in connection with the above-referenced matter. It is Atlantic City Electric Company's understanding that the Stipulation will be placed on the agenda for consideration at the regular meeting currently scheduled to be held on Wednesday, May 31, 2017.

Thank you for your cooperation and courtesies. Feel free to contact me with any questions or if I can be of further assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Passanante', followed by a horizontal line and the initials '/jpr'.

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

Enclosure

cc: Service List

**IN THE MATTER OF THE APPLICATION
OF ATLANTIC CITY ELECTRIC
COMPANY TO AMEND ITS PILOT
REDEVELOPMENT PROGRAM SERVICE
TARIFF RIDER RP AND ITS PILOT SMALL
COMMERCIAL DEVELOPMENT TARIFF
RIDER SCD TO REVISE AND EXPAND THE
ELIGIBILITY CRITERIA FOR CUSTOMER
PARTICIPATION THEREIN (2016)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
STIPULATION OF SETTLEMENT
BPU DOCKET NO. ER17010007**

APPEARANCES:

Philip J. Passanante, Esq., Assistant General Counsel, on behalf of Petitioner, Atlantic City Electric Company;

**Alex Moreau and Veronica Beke, Deputy Attorneys General, on behalf of the Staff of the New Jersey Board of Public Utilities (Christopher S. Porrino, Attorney General of New Jersey);
and**

Ami Morita, Esq., Deputy Rate Counsel, and Diane Schulze, Esq., Assistant Deputy Rate Counsel, on behalf of the New Jersey Division of Rate Counsel (Stefanie A. Brand, Director).

This Stipulation of Settlement (the "Stipulation") is hereby made and executed as of this 10th day of May, 2017, by and among Atlantic City Electric Company ("ACE" or the "Company"), the Staff of the New Jersey Board of Public Utilities ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (individually, a "Party" and collectively, the "Parties"), in settlement of all factual and legal issues pertaining to the above captioned Letter Petition filed by the Company on or about December 19, 2016 (BPU Docket No. ER17010007) (the "Letter Petition").

BACKGROUND AND DISCUSSION

By Board Order dated August 24, 2016 issued in connection with in BPU Docket No. ER16030252 and OAL Docket No. PUC 05556-16N (the “2016 ACE Base Rate Case”), the New Jersey Board of Public Utilities (the “Board”) approved certain revised tariff rates and other tariff provisions for ACE, including updating and re-establishing two tariffed service Riders, namely, the Redevelopment Program Service Rider RP (“RPS”) and the Small Commercial Development Rider SCD (“SCD”) (jointly referred to herein as the “Programs”)¹. The Programs were approved by the Board on a pilot basis for a period of five years.

As the Petitioner noted in the 2016 ACE Base Rate Case, the Company plays an important role in the economic development of South Jersey through the provision of safe and reliable electric service, as well as its continuing economic investment in the region. In order to expand economic development in South Jersey, the Company sought, and the Board approved, the updating and re-establishment of the RPS and the SCD, both of which were designed to provide an economic incentive for small and large businesses to expand existing facilities and/or to locate in the southern region of the State served by ACE. The eligibility criteria for participation in the RPS and SCD were set forth in the Company’s proposed tariffs for the Programs.

When the Programs were initially being offered to potential customers, however, it became apparent to the Company’s internal commercial/industrial accounts team that the criteria for participation in the Programs, as initially proposed and adopted, were drafted in a manner that was overly restrictive for the type(s) of customers and businesses that were intended to be eligible to participate in the Programs. ACE also determined that a clarification of the criteria

¹ For purposes of marketing the Programs to eligible customers, ACE has determined to reference the Programs using the acronym “EDGE” or “Energy Discounts for Growing Enterprises.”

for New and Existing Customers was required to improve customer participation. ACE believes that, with increased customer participation and electricity usage, the economy of southern New Jersey will be enhanced.

Discovery with regard to the Letter Petition was submitted by the Staff on January 11, 2017 and responded to by the Company on January 20, 2017. Discovery was also proffered by Rate Counsel on January 27, 2017 and responded to by the Company on February 9, 2017. In addition, the Parties engaged in settlement discussions with respect to the matter, the most recent being a settlement meeting on March 31, 2017, at which the Staff and Rate Counsel made two additional requests for information regarding the proposed modifications to the Programs. On April 13, 2017 the Company provided its responses to the two additional informal discovery requests of the Parties.

STIPULATION

The Parties to this Stipulation HEREBY STIPULATE AND AGREE to the following findings, conclusions, and determinations for purposes of a full, final, and complete resolution of the issues raised in the Letter Petition.

1. The Company has claimed that the modifications to the eligibility criteria for participation in the Programs as proposed by the Company in the Letter Petition, which are more fully set forth in the revised tariff pages for the Programs (*see Exhibit A* attached hereto), are appropriate, and should be approved by the Board. The Company believes that such approval should result in greater customer participation in the Programs and should result in benefits to participating customers through the Programs' discount, and should also benefit the Company's other customers by enhancing the overall economic circumstances in southern New Jersey.

2. The Parties agree that the economic value of all discounts provided by the Programs shall not be borne by the Company's customers, nor shall the Company seek to recover any lost revenue created by the Programs in any future rate proceeding. The Company agrees that in any future base rate proceeding filed while this program is in effect, the Company will provide in the filing testimony explaining the accounting treatment along with a separate schedule providing information on the number of customers under each tariff, the total revenues billed prior to applying the credit and the amount of the credit. The Company will also show the accounting used to book these costs below the line.

3. The Company will submit updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket conforming to the agreed upon terms and conditions for the implementation of the Programs.

SETTLEMENT IMPLEMENTATION

The Parties respectfully request that this Stipulation be considered by the Board at its first available agenda meeting following execution hereof by the Parties.

CONCLUSION

4. The Parties agree that this Stipulation contains mutual balancing and interdependent clauses and is intended to be accepted and approved in its entirety. In the event any particular provision of this Stipulation is not accepted and approved in its entirety by the Board or is modified by a court of competent jurisdiction, then any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right, upon written notice, to be provided to all other Parties within ten (10) days after receipt of any such adverse decision, to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board in an appropriate Order, or is modified by a

court of competent jurisdiction, then any Party hereto is free, upon the timely provision of such written notice, to pursue its then available legal remedies with respect to all issues addressed in this Stipulation, as though this Stipulation had not been signed.

5. The Parties agree that this Stipulation shall be binding on them for all purposes herein.

6. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and, except as otherwise expressly provided for herein:

- a. by executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation, except where the terms of this Stipulation supersede such prior Stipulation; and
- b. the contents of this Stipulation shall not in any way be considered, cited or used by any of the 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.

7. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

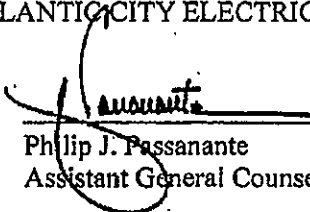
8. This Stipulation may be executed in any number of counterparts, each of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties.

WHEREFORE, the Parties hereto have duly executed and do respectfully submit this Stipulation to the Board and recommend that the Board issue a Final Decision and Order adopting and approving this Stipulation in its entirety in accordance with the terms hereof.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

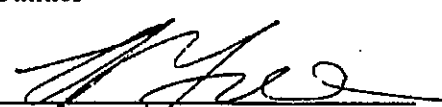
ATLANTIC CITY ELECTRIC COMPANY

Dated: May 9, 2017

By: 
Philip J. Passanante
Assistant General Counsel

CHRISTOPHER S. PORRINO, ATTORNEY
GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of
Public Utilities


Dated: May 10, 2017

By: 
Alex Moreau
Deputy Attorney General

Veronica Beke
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR
DIVISION OF RATE COUNSEL

Dated: 5-10-17

By: 
Ami Morita, Esq.
Deputy Rate Counsel

Diane Schulze, Esq.
Assistant Deputy Rate Counsel

Exhibit A

Tariff Pages

Clean

**RIDER RP
REDEVELOPMENT PROGRAM SERVICE****APPLICABLE TO:**

Customers receiving service under Electric Rate Schedules AGS Secondary, AGS Primary, TGS

CHARACTER OF SERVICE:

Commitments for service under this rider will be made available to qualifying customers on a pilot basis effective August 24, 2016. Customers must commence service hereunder within 24 months of the date of commitment.

CREDIT:

A credit equal to 20% of the customer's distribution charge(s) as described below for the newly constructed, leased or purchased space, as determined by the Company, will be applied to the customer's monthly electric bills for a term of five years, as follows:

New Customer

A new customer for purposes of this service shall be defined as a customer contract account whose existing, newly constructed, leased or purchased space is separately metered.

The credit shall apply to the customer charge and the distribution demand charge associated with all kilowatts, as billed by the Company.

Existing Customer

An existing customer for purposes of this service shall be defined as a customer contract account whose existing, newly constructed, leased or purchased space is not separately metered from the existing service.

For existing customers, the credit shall apply only to those kilowatts, as measured by the Company, which are in excess of comparable demands in the same month established in a base year period, which period shall be defined as the 12 calendar months immediately preceding the first month service is provided under the Redevelopment Program. The credit will not be applicable to the customer charge for an existing customer.

ELIGIBILITY:

Each customer will be required to sign an Application for Redevelopment Program Service, including an estimate of additional demand. The customer must remain on the same rate schedule as in the base year period throughout the five year term of the program. Upon verification of eligibility, the Company will provide the customer with a written commitment for Redevelopment Program Service.

To be eligible, a customer must construct, lease or purchase, new or vacant space for commercial or industrial services or build, or have added to or expanded to a building on existing property. The effective date of the lease or purchase must have been on or after August 24, 2016, the initial Effective Date of this rate schedule. The total additional leased or purchased building space must equal or exceed 8,000 square feet.

Qualifying building space must be vacant, as determined by the Company, prior to receiving a commitment for the Redevelopment Program.

Customer must be adding at least two permanent full-time employees to the customer's payroll at the site receiving the benefit of the Redevelopment Program Service Rider. Relocation or consolidation of employees based in the Company's service territory without employment growth will not qualify. Employment growth will be confirmed by the Company in conjunction with the New Jersey Department of Labor and/or affidavit from the customer. The Company reserves the right, in its discretion, to periodically verify employment increases and sustained level of employment. If after verification the required employment level has not been sustained, Rider RP will no longer be applicable.

Customer must qualify for, receive, and provide the Company with suitable documentation substantiating the receipt of a package of economic incentives pursuant to the Economic Opportunity Act of 2013 (P.L. 2013, c.161) conferred by the state or any other applicable economic incentive conferred by the county or local municipality, including financial assistance or a tax incentive program designed to maintain or increase employment levels in the service area.

LIMITATIONS OF SERVICE:

Date of Issue:
Issued by:

Effective Date:

RIDER - SCD
SMALL COMMERCIAL DEVELOPMENT

APPLICABLE TO:

Customers receiving service under Electric Rate Schedules MGS Secondary, MGS Primary

CHARACTER OF SERVICE:

Commitments for service under this rider will be made available to qualifying customers on a pilot basis effective August 24, 2016. Customers must commence service hereunder within 24 months of the date of commitment.

CREDIT:

A credit equal to 20% of the customer's distribution charge(s) as described below for the newly constructed, leased or purchased space, as determined by the Company, will be applied to the customer's monthly electric bills for the term of five years, as follows:

New Customer

A new customer for purposes of this service shall be defined as a customer contract account whose existing, newly leased, constructed or purchased space is separately metered.

The credit shall apply to the customer charge and the distribution demand charge associated with all kilowatts, as billed by the Company.

Existing Customer

An existing customer for purposes of this service shall be defined as a customer contract account whose existing, newly constructed, leased or purchased space is not separately metered from the existing service.

For existing customers, the credit shall apply only to those kilowatts, as measured by the Company, which are in excess of comparable demands in the same month established in a base year period, which period shall be defined as the 12 calendar months immediately preceding the first month service is provided under the Redevelopment Program. The credit will not be applicable to the customer charge for an existing customer.

ELIGIBILITY:

Each customer will be required to sign an Application for Small Commercial Development Program Service, including an estimate of additional demand. The customer must remain on the same rate schedule as in the base year period throughout the five year term of the program. Upon verification of eligibility, the Company will provide the customer with a written commitment for Small Commercial Development Program Service.

To be eligible, a customer must construct, lease or purchase new or vacant space for Commercial services or build, have added to or expanded to a building on existing property. The effective date of the lease or purchase must have been on or after August 24, 2016, the initial Effective Date of this rate schedule. The total additional leased or purchased building space must equal or exceed 2,500 square feet.

Qualifying building space must be vacant, as determined by the Company, prior to receiving a commitment for the Small Commercial Development Rider.

Customer must be adding at least one permanent full-time year round employee to the customer's payroll at the site receiving the benefit of the Small Commercial Development Rider. Relocation or consolidation of employees based in the Company's service territory without employment growth will not qualify. Employment growth will be confirmed by the Company in conjunction with the New Jersey Department of Labor and/or affidavit from the customer on a quarterly basis. The Company reserves the right, in its discretion, to periodically verify employment increases and sustained level of employment. If, after verification, the required employment level has not been sustained, Rider SCD will no longer be applicable.

LIMITATIONS OF SERVICE:

This service is not available to federal, state, county or local governments or governmental entities.

Date of Issue:
Issued by:

Effective Date:

Tariff Pages Redlined

**RIDER RP
REDEVELOPMENT PROGRAM SERVICE**

APPLICABLE TO:

Customers receiving service under Electric Rate Schedules AGS Secondary, AGS Primary, TGS

CHARACTER OF SERVICE:

Commitments for service under this rider will be made available to qualifying customers on a pilot basis effective August 24, 2016. Customers must commence service hereunder within 24 months of the date of commitment.

CREDIT:

A credit equal to 20% of the customer's distribution charge(s) as described below for the newly constructed, leased or purchased space, as determined by the Company, will be applied to the customer's monthly electric bills for a term of five years, as follows:

New Customer

A new customer for purposes of this service shall be defined as a customer contract account whose existing, newly constructed, leased or purchased space is separately metered.

The credit shall apply to the customer charge and the distribution demand charge associated with all kilowatts, as billed by the Company. ~~A new~~

Existing Customer

An existing customer, for purposes of this Service, shall be defined as a customer who has not previously received energy from the Company within the previous two years, contract account whose existing, newly constructed, leased or purchased space is not separately metered- from the existing service.

For existing customers, the credit shall apply only to those kilowatts, as measured by the Company, which are in excess of comparable demands in the same month established in a base year period, which period shall be defined as the 12 calendar months immediately preceding the first month service is provided under the Redevelopment Program. The credit will not be applicable to the customer charge for an existing customer.

ELIGIBILITY:

Each customer will be required to sign an Application for Redevelopment Program Service, including an estimate of additional demand. The customer must remain on the same rate schedule as in the base year period throughout the five year term of the program. ~~The Company upon~~ Upon verification of eligibility, the Company will provide the customer with a written commitment for Redevelopment Program Service.

To be eligible, a customer must construct, lease or purchase, new or vacant space for manufacturing, research and development, office commercial or warehousing industrial services or build, or have added to or expanded to a building on existing property. The effective date of the lease or purchase must ~~behave been on or after August 24, 2016,~~ the date initial Effective Date of this rate schedule. The total additional leased or purchased building space must equal or exceed 8,000 square feet.

Qualifying ~~vacant~~ building space must be vacant ~~for a minimum of three months,~~ as determined by the Company, prior to receiving a commitment for the Redevelopment Program.

Customer must be adding at least two permanent full-time employees to ~~their~~ the customer's payroll at the site receiving the benefit of the Redevelopment Program Service Rider. Relocation or consolidation of employees based in the Company's service territory without employment growth, will not qualify. Employment growth will be confirmed by the Company in conjunction with the New Jersey Department of Labor and/or affidavit from the customer. The Company reserves the right, at its discretion, to periodically verify employment increases and sustained level of employment. If after verification the required employment level has not been sustained, Rider RP ~~will be no longer be~~ applicable.

Customer must qualify for, receive, and provide the Company with suitable documentation substantiating the receipt of a ~~comprehensive~~ package of economic incentives pursuant to the Economic Opportunity Act of 2013 (P.L. 2013, c.161) conferred by the state or any other applicable economic incentive conferred by the county or local municipality or state authorities and, including ~~substantial~~ financial assistance or a ~~substantial~~ tax incentive program designed to maintain or increase employment levels in the service area.

LIMITATIONS OF SERVICE:

This service is not available to federal, state, county or local ~~government~~governments or governmental entities.

Date of Issue:
Issued by:

Effective Date:

RIDER - SCD
SMALL COMMERCIAL DEVELOPMENT

APPLICABLE TO:

Customers receiving service under Electric Rate Schedules MGS Secondary, MGS Primary

CHARACTER OF SERVICE:

Commitments for service under this rider will be made available to qualifying customers on a pilot basis effective August 24, 2016. Customers must commence service hereunder within 24 months of the date of commitment.

CREDIT:

A credit equal to 20% of the customer's distribution charge(s) as described below for the newly constructed, leased or purchased space, as determined by the Company, will be applied to the customer's monthly electric bills for the term of five years, as follows:

New Customer

A new customer for purposes of this service shall be defined as a customer contract account whose existing, newly leased, constructed or purchased space is separately metered.

The credit shall apply to the customer charge, and the distribution demand charge and distribution energy charge for associated with all kilowatts of demand and kilowatt-hours of consumption, as billed by the Company. A new

Existing Customer

An existing customer, for purposes of this Service, shall be defined as a customer who has not previously received energy from the Company within the previous two years, contract account whose existing, newly constructed, leased or purchased space is not separately metered from the existing service.

For existing customers, the credit shall apply only to those kilowatts, as measured by the Company, which are in excess of comparable demands in the same month established in a base year period, which period shall be defined as the 12 calendar months immediately preceding the first month service is provided under the Redevelopment Program. The credit will not be applicable to the customer charge for an existing customer.

ELIGIBILITY:

Each customer will be required to sign an Application for Small Commercial Development Program Service, including an estimate of additional demand. The customer must remain on the same rate schedule as in the base year period throughout the five year term of the program. ~~The Company upon~~ Upon verification of eligibility, the Company will provide the customer with a written commitment for Small Commercial Development Program Service.

To be eligible, a customer must construct, lease or purchase new or vacant space for Commercial services, or build, have added to or expanded to a building on existing property. The effective date of the lease or purchase must ~~behave been on or after August 24, 2016, the date~~ initial Effective Date of this rate schedule. The total additional leased or purchased building space must equal or exceed 2,500 square feet.

Qualifying ~~vacant~~ building space must be vacant ~~for a minimum of three months~~, as determined by the Company, prior to receiving a commitment for the Small Commercial Development Rider.

Customer must be adding at least one permanent full-time year round employee to ~~their~~ the customer's payroll at the site receiving the benefit of the Small Commercial Development Rider. Relocation or consolidation of employees based in the Company's service territory without employment growth, will not qualify. Employment growth will be confirmed by the Company in conjunction with the New Jersey Department of Labor and/or affidavit from the customer on a quarterly basis. The Company reserves the right, ~~at its~~ at its discretion, to periodically verify employment increases and sustained level of employment. If, after verification, the required employment level has not been sustained, Rider SCD will ~~be no longer~~ be applicable.

LIMITATIONS OF SERVICE:

This service is not available to federal, state, county or local ~~government~~ governments or governmental entities.

Date of Issue:
Issued by:

Effective Date:

In the Matter of the Application of Atlantic City Electric Company to Amend Its Pilot Redevelopment Program
Service Tariff Rider RP and Its Pilot Small Commercial Development Tariff Rider SCD to
Revise and Expand the Eligibility Criteria for Customer Participation Therein
BPU Docket No. ER17010007

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