



Agenda Date: 3/24/21

Agenda Item: 2B

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 FOR APPROVAL OF)
ELECTRIC BASE RATE ADJUSTMENTS TO THE)
POWERAHEAD PROGRAM (11/2020))
)
) DOCKET NO. ER20110693

Parties of Record:

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

BY THE BOARD:

On November 2, 2020, Atlantic City Electric Company (“ACE” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking review and approval of cost recovery associated with the Company’s PowerAhead Program (“PowerAhead” or “Program”) (“November 2020 Petition”). By this Order, the Board considers a stipulation of settlement (“Stipulation”) executed by ACE, Board Staff (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”) intended to resolve the Company’s requests related to the November 2020 Petition.

BACKGROUND

By Order dated May 31, 2017, the Board authorized ACE to implement the Program.¹ The PowerAhead projects were intended to improve storm resiliency and hardening, as well as add grid modernization, to the Company’s distribution infrastructure to benefit its customers. Per the May 2017 Order, the total investment level to be recovered through the cost recovery mechanism was \$79.0 million with semi-annual recovery provided that the plant-in service additions during the period were at least \$7.0 million.

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 48:2-21.1, for Approval of a Grid Resiliency Initiative and Cost Recovery Related Thereto; and for Other Appropriate Relief (2016) – Phase II, BPU Docket No. ER16030252, Order dated May 31, 2017 (“May 2017 Order”).

The following is a breakdown of the approved investments and investment levels:

1.	Structural and Electrical Hardening:	\$23.0 million
2.	Selective Underground:	\$11.0 million
3.	Barrier Island ("BI") Feeder Ties:	\$13.0 million
4.	Distribution Automation ("DA"):	\$16.0 million
5.	Electronic Fusing:	\$ 2.0 million
6.	New Substation – Harbor Beach:	<u>\$14.0 million</u>
	Total	\$79.0 million

November 2020 Petition

On November 2, 2020, ACE filed the November 2020 Petition seeking review and approval of the capital investments related to PowerAhead that were placed in service from July 1, 2020 through December 31, 2020 ("Fourth Roll-In Period"). In the November 2020 Petition, ACE sought to recover a revenue requirement of \$1,111,715 associated with \$8,531,972 of plant-in-service investments. The November 2020 Petition included actual data through September 30, 2020, and projected information for the period October 1, 2020 through December 31, 2020.

On January 19, 2021, ACE updated its filing with actual data through December 31, 2020 ("January 2021 Update"). In the January 2021 Update, the Company updated its proposed revenue requirement to \$1,063,199 associated with \$8,135,646 of plant-in-service incurred during the Fourth Roll-In Period.

Following publication of notice in newspapers of general circulation in the Company's service territory, telephonic public hearings were conducted on March 9, 2021 at 4:30 p.m. and 5:30 p.m.² No members of the public called in to either public hearing or submitted written comments.

STIPULATION

Upon review of the November 2020 Petition, the January 2021 Update, and subsequent to conducting and reviewing discovery, the Parties executed the Stipulation, which provides for the following:³

1. The Parties agree that ACE shall receive in rates, as described below, an increase in the annual electric revenue requirement of approximately \$1,063,199 (see Schedule (EMF-S)-1 annexed to the Stipulation as Attachment A and Schedule (EMF-S)-2, annexed to the Stipulation as Attachment B), starting April 1, 2021.
2. ACE may implement the proposed rates associated with the increase in the electric revenue requirement referenced above pursuant to ACE's proposed rate design methodology (reflected in Schedule (EMF-S)-2, Attachment B of the Stipulation). These Schedules reflect the annual revenue requirement of \$1,063,199 being collected over annual billing determinants.

² The hearings were held telephonically due to the COVID-19 pandemic.

³ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

3. ACE shall implement the rates addressed in the preceding paragraph effective April 1, 2021, or on a date approved by the Board, on an interim basis subject to prudence review in the next ACE base rate case.
4. The impact of the proposed rates on the typical residential electric customer that uses an average of 679 kilowatt hours per month will be an increase of \$0.11 per month or approximately 0.08 percent.
5. Consistent with the 2017 PowerAhead Stipulation and the May 2017 Order, the prudence of the execution of the projects that are the subject of the rate adjustments provided for under this Stipulation will be reviewed in ACE's subsequent base rate proceedings, as appropriate, including, but not limited to, a review of whether the Company has met its obligations under the Program and to ensure that ACE's expenses are distribution, not transmission, investments. Accordingly, the rate adjustments agreed to pursuant to the instant Stipulation shall be provisional and subject to refund. Nothing in the Stipulation will preclude any Party in ACE's next base rate case from raising any objection that could have been raised in the present proceeding.

DISCUSSION AND FINDINGS

After a review of the record in this matter, including the November 2020 Petition, the January 2021 Update, and the attached Stipulation, the Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation in its entirety and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein.

The Board **HEREBY APPROVES** the rate adjustments reflected in Attachment B of the Stipulation, on a provisional basis, subject to refund with interest and review for prudence in a future base rate case, effective for service rendered on and after April 1, 2021. As a result of the Stipulation, an average residential customer using approximately 679 kilowatt hours per month, will see an increase of \$0.11 per month or approximately 0.08%.

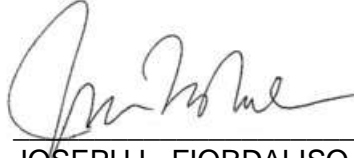
The Company is **HEREBY DIRECTED** to file revised tariff sheets conforming to the terms of the Stipulation by April 1, 2021.

The Company's costs, including those related to PowerAhead, remain subject to audit by the Board. This Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

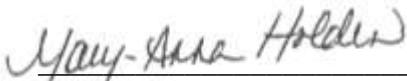
The effective date of this Order is March 31, 2021.

DATED: March 24, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER

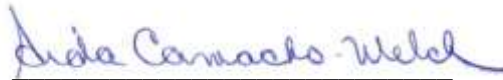


UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF
ELECTRIC BASE RATE ADJUSTMENTS TO THE POWERHEAD PROGRAM (11/2020)

DOCKET NO. ER20110693

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March 15, 2021

VIA ELECTRONIC MAIL
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Aida Camacho-Welch
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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RE: In the Matter of the Petition of Atlantic City Electric Company for Approval of
Electric Base Rate Adjustments to the PowerAhead Program (11/2020)
BPU Docket No. ER20110693

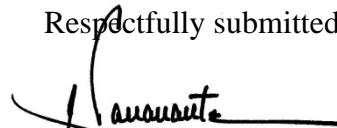
Dear Secretary Camacho-Welch:

Enclosed herewith for filing is a fully executed Stipulation of Settlement in connection with the above-referenced matter.

Consistent with the Order issued by the Board of Public Utilities (the "Board" or "BPU") in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

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,



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

Enclosure
cc: Service List

**IN THE MATTER OF THE PETITION
OF ATLANTIC CITY ELECTRIC
COMPANY FOR APPROVAL OF
ELECTRIC BASE RATE
ADJUSTMENTS TO THE
POWERAHEAD PROGRAM (11/2020)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

BPU DOCKET NO. ER20110693

STIPULATION OF SETTLEMENT**

APPEARANCES:

Philip J. Passanante, Esq., Assistant General Counsel, for Atlantic City Electric Company

T. David Wand, Esq., Managing Attorney - Electric; **Maria Novas-Ruiz, Esq.**, Assistant Deputy Rate Counsel; and **Robert Glover.**, Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel (**Stefanie A. Brand, Director, Division of Rate Counsel**)

Brandon C. Simmons, Deputy Attorney General, on behalf of the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal, Attorney General of New Jersey**)

This Stipulation of Settlement (“Stipulation”) is hereby made and executed as of this 15th day of March, 2021, by and among Atlantic City Electric Company (“ACE” or “Company”), the Staff of the New Jersey Board of Public Utilities (“Board Staff” or “Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (individually, “Party” and collectively, “Parties”), in settlement of all factual and legal issues pertaining to the above-captioned Verified Petition filed with the New Jersey Board of Public Utilities (“Board” or “BPU”) by the Company on November 2, 2020 (“November 2020 PowerAhead Petition”).

BACKGROUND

A. Approval of the PowerAhead Program

On March 22, 2016, ACE filed a Verified Petition with the Board seeking, among other things, approval of the storm resiliency and grid modernization initiative known as PowerAhead, and approval of a cost recovery mechanism related to PowerAhead. ACE’s PowerAhead proposal focused on storm resiliency, system hardening, and grid modernization. Following discovery, the

Parties reached a settlement regarding PowerAhead, resulting in a stipulation (“2017 PowerAhead Stipulation”) approved by the Board via an Order dated May 31, 2017, and made effective on June 10, 2017 in BPU Docket No. ER16030252 (“May 2017 PowerAhead Order”). The 2017 PowerAhead Stipulation, and the subsequent May 2017 PowerAhead Order, provided that the PowerAhead program would include an investment level of up to \$79 million, plus associated Allowance for Funds Used During Construction, to be recovered through the stipulated cost recovery mechanism described in the 2017 PowerAhead Stipulation. Under the terms of the 2017 PowerAhead Stipulation, the identified projects within the PowerAhead program and investment amounts associated therewith were to be incremental to the Company’s normal capital spending budget. The 2017 PowerAhead Stipulation also provided that the PowerAhead program was to run over a five (5)-year period beginning on the effective date of the Order approving the program (*i.e.*, June 10, 2017).

B. The May 2019 PowerAhead Petition

On or about May 2, 2019, ACE filed a Petition (“May 2019 PowerAhead Petition”) with the Board seeking approval to recover the revenue requirement associated with certain capitalized electric investment costs of the PowerAhead program from January 1, 2019 through and including June 30, 2019 (“First Roll-in Period”). Consistent with the 2017 PowerAhead Stipulation, ACE’s May 2019 PowerAhead Petition sought recovery of costs associated with its plant-in-service additions during the First Roll-in Period, inclusive of a return on those investments calculated using the overall rate of return approved in ACE’s most recent base rate case [*i.e.*, 7.08%, pursuant to a Board Order dated March 13, 2019 in BPU Docket No. ER18080925].

As updated with actual data for the entire First Roll-in Period, ACE’s May 2019 PowerAhead Petition sought recovery related to \$9,068,936 in gross plant-in-service investments made under the PowerAhead Program during the First Roll-In Period. After two (2) public

comment hearings were held at the Company's Offices in Mays Landing, New Jersey, the Parties agreed to settle issues raised in the May 2019 PowerAhead Petition, executing a Stipulation of Settlement as of September 13, 2019 ("September 2019 PowerAhead Stipulation"). The September 2019 PowerAhead Stipulation was subsequently adopted by the Board pursuant to a Board Order dated September 27, 2019 ("September 2019 PowerAhead Order"). Rates approved pursuant to the September 2019 PowerAhead Order were put into effect on October 1, 2019.

The September 2019 PowerAhead Stipulation and the September 2019 PowerAhead Order, however, did not include the entirety of the recovery that ACE intended to seek through the May 2019 PowerAhead Petition due to an error in the rate design proposed by the Company.¹ Under the September 2019 PowerAhead Stipulation, which expressly acknowledged the aforementioned error, the Parties agreed that ACE would receive in rates an increase in the electric revenue requirement of approximately \$251,970 over a six (6) month period starting October 1, 2019. The \$251,970 increase, however, represented only approximately one-half of the revenue requirement that ACE had intended to collect over the six (6) month period. As a result of the foregoing, the Parties agreed within the September 2019 PowerAhead Stipulation that ACE would be permitted to seek recovery of the under-recovered revenue requirement associated with its May 2019 PowerAhead Petition within its next subsequent PowerAhead filing (*i.e.*, the PowerAhead Petition scheduled to be filed in November 2019).

C. The November 2019 PowerAhead Petition

On November 1, 2019, ACE filed a Petition with the Board ("November 2019 PowerAhead Petition") seeking the Board's approval to recover the revenue requirement associated with certain

¹ In its May 2019 PowerAhead Petition, ACE should have annualized the semi-annual revenue requirement of \$503,941, since annual billing determinants were used in the rate design, as acknowledged within the September 2019 PowerAhead Stipulation. The semi-annual revenue requirement, combined with the use of annual billing determinants, resulted in recovering a \$503,941 revenue requirement over a 12-month, not a six-month, period.

capitalized electric investment costs of the PowerAhead Program from July 1, 2019 through and including December 31, 2019 (“Second Roll-in Period”). Consistent with the 2017 PowerAhead Stipulation, ACE’s November 2019 PowerAhead Petition sought recovery of costs associated with its plant-in-service additions during the Second Roll-in Period, inclusive of a return on those investments calculated using the overall rate of return approved in ACE’s most recent base rate case, *i.e.*, 7.08%, pursuant to a Board Order dated March 13, 2019 in BPU Docket No. ER18080925. ACE’s November 2019 PowerAhead Petition utilized the rate design methodology from its most recent base rate case in accordance with the 2017 PowerAhead Stipulation. In addition, ACE’s November 2019 PowerAhead Petition sought to remedy the under-recovery associated with the First Roll-In Period, *i.e.*, the electric revenue requirement that was not recovered through the September 2019 PowerAhead Stipulation and the accompanying September 2019 PowerAhead Order.

On or about January 16, 2020, the Company updated its filing to include ACE’s actual capital expenditures for the October 1, 2019 to December 31, 2019 period. On or about February 18, 2020, following discussions with Board Staff and Rate Counsel, ACE revised its actual data to reverse certain funding transfers that were proposed in the January 16, 2020 update for actuals. As updated with revised, actual data for the entire Second Roll-in Period, ACE’s November 1, 2019 PowerAhead Petition sought recovery related to \$9,801,163 in gross plant-in-service investments made under the PowerAhead Program during the Second Roll-In Period.

After two (2) public comment hearings at the Company’s Offices in Mays Landing, New Jersey, the Parties agreed to settle issues raised in the November 2019 PowerAhead Petition, and executed a Stipulation of Settlement as of March 16, 2020 (“March 2020 PowerAhead Stipulation”). The March 2020 PowerAhead Stipulation was subsequently adopted by the Board pursuant to a Board Order dated March 27, 2020 (“March 2020 PowerAhead Order”). Pursuant

to the March 2020 PowerAhead Stipulation and March 2020 PowerAhead Order, the Company was authorized to increase its annual revenue requirement by approximately \$1,725,651 to reflect an increase in the annual revenue requirement associated with investments placed into service in the Second Roll-in Period of \$1,221,710, and to remedy the “future under-recovery” associated with the First Roll-in Period of \$503,941. The Parties agreed that ACE would be permitted to seek recovery of the “historic under-recovery” in its next filed base rate case.² Rates approved pursuant to the March 2020 PowerAhead Order were put into effect April 1, 2020.

D. ACE’s May 2020 PowerAhead Petition

On May 1, 2020, ACE filed a Petition with the Board (“May 2020 PowerAhead Petition”) seeking approval to recover the revenue requirement associated with an estimated \$8,929,974 in gross utility plant-in-service investments of the PowerAhead Program from January 1, 2020 through and including June 30, 2020 (“Third Roll-in Period”). Consistent with the 2017 PowerAhead Stipulation, ACE’s May 2020 PowerAhead Petition sought recovery of costs associated with its plant-in-service additions during the Third Roll-in Period, inclusive of a return on those investments calculated using the overall rate of return approved in ACE’s most recent base rate case [*i.e.*, 7.08%, pursuant to a Board Order dated March 13, 2019 in BPU Docket No. ER18080925]. ACE’s May 2020 PowerAhead Petition utilized the rate design methodology from its most recent base rate case, in accordance with the 2017 PowerAhead Stipulation. On or about July 16, 2020, the Company updated its filing to reflect ACE’s actual capital expenditures for the Third Roll-in Period of \$8,782,857 for gross utility plant-in-service, with an associated revenue

² On December 9, 2020, the Company filed a Petition initiating a base rate case and included a request to recover the \$251,971 PowerAhead under-recovery. *See I/M/O the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief (12/2020)*, BPU Docket No. ER20120746, Petition at Paragraph 7. The Company’s request is pending at the Office of Administrative Law (“OAL”) under OAL Docket No. PUC 00284-2021S).

requirement of \$1,046,473.

After the two (2) public comment hearings were conducted telephonically due to the COVID-19 pandemic, the Parties agreed to settle issues raised in the May 2020 PowerAhead Petition, executing a Stipulation of Settlement as of September 11, 2020 (“September 2020 PowerAhead Stipulation”). The September 2020 PowerAhead Stipulation was subsequently adopted by the Board pursuant to a Board Order dated September 23, 2020 (“September 2020 PowerAhead Order”). Rates approved pursuant to the September 2020 PowerAhead Order were put into effect October 1, 2020.

E. ACE’s November 2020 PowerAhead Petition

On November 2, 2020, ACE filed the November 2020 PowerAhead Petition with the Board seeking approval to recover the revenue requirement associated with an estimated \$8,531,972 in gross utility plant-in-service investments of the PowerAhead Program for the period from July 1, 2020 through and including December 31, 2020 (“Fourth Roll-in Period”). Consistent with the 2017 PowerAhead Stipulation, ACE’s November 2020 PowerAhead Petition sought recovery of costs associated with its plant-in-service additions during the Fourth Roll-in Period, inclusive of a return on those investments calculated using the overall rate of return approved in ACE’s most recent base rate case [*i.e.*, 7.08%, pursuant to a Board Order dated March 13, 2019 in BPU Docket No. ER18080925]. ACE’s November 2020 PowerAhead Petition utilized the rate design methodology from its most recent base rate case, in accordance with the 2017 PowerAhead Stipulation. On January 19, 2021, the Company updated its filing to reflect ACE’s actual capital expenditures for the Fourth Roll-in Period of \$8,135,646 for gross utility plant-in-service, with an associated revenue requirement of \$1,063,199.

Notice of ACE’s November 2020 PowerAhead Petition, including the date and time of telephonic public comment hearings, was placed in newspapers having a circulation within the

Company's electric service territory, and was duly served on the Clerks of the municipalities and the County representatives within the Company's electric service territory. In accordance with that notice, two (2) public comment hearings (at 4:30 P.M. and 5:30 P.M.) were held via telephone conference on March 9, 2021, due to the COVID-19 pandemic. No members of the public provided comments at the hearings or submitted written comments.

STIPULATION

Representatives from ACE, Board Staff, and Rate Counsel have reviewed the Company's November 2020 PowerAhead Petition, the updated actual results, as well as ACE's responses to discovery requests, and have discussed the facts and issues in this matter. As a result, 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 November 2020 PowerAhead Petition, inclusive of its update:

1. The Parties agree that ACE shall receive in rates, as described below, an increase in the annual electric revenue requirement of approximately \$1,063,199 (*see* Schedule (EMF-S)-1 annexed hereto as **Attachment A** and Schedule (EMF-S)-2, annexed hereto as **Attachment B**), starting April 1, 2021.

2. ACE may implement the proposed rates associated with the increase in the electric revenue requirement referenced above pursuant to ACE's proposed rate design methodology (reflected in Schedule (EMF-S)-2, **Attachment B**). These Schedules reflect the annual revenue requirement of \$1,063,199 being collected over annual billing determinants.

3. ACE shall implement the rates addressed in the preceding paragraph effective April 1, 2021, or on a date approved by the Board, on an interim basis subject to prudence review in the next ACE base rate case.

4. The impact of the proposed rates on the typical residential electric customer that uses an average of 679 kilowatt hours per month will be an increase of \$0.11 per month or approximately 0.08 percent.

5. Consistent with the 2017 PowerAhead Stipulation and the May 2017 PowerAhead Order, the prudence of the execution of the projects that are the subject of the rate adjustments provided for under this Stipulation will be reviewed in ACE's subsequent base rate proceedings, as appropriate, including, but not limited to, a review of whether the Company has met its obligations under the PowerAhead Program and to ensure that ACE's expenses are distribution, not transmission, investments. Accordingly, the rate adjustments agreed to pursuant to the instant Stipulation shall be provisional and subject to refund. Nothing herein will preclude any Party in ACE's next base rate case from raising any objection that could have been raised in the present proceeding.

6. 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. Any Party, thereafter, shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues raised by the Petition to conclusion. 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 Party for any purpose whatsoever, including in this or any other proceeding.

7. The 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 Party 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 Party, in its discretion, finds unacceptable, then such Party shall serve notice of unacceptability on the other Parties within seven business days following receipt of such Board Order. Absent such notification, the 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 Parties.

8. The Parties agree that they consider the Stipulation to be binding on them for the purposes set forth herein.

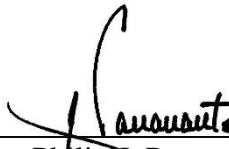
9. Each Party understands that a Board Order adopting this Stipulation will become effective in accordance with N.J.S.A. 48:2-40.

10. This Stipulation represents the full scope of the agreement between the Parties. This Stipulation may only be modified by a further written agreement executed by all of the Parties to this Stipulation.

11. This Stipulation may be executed in as many counterparts as there are Parties to this Stipulation, and each counterpart shall be an original, but all of which shall constitute one and the same instrument.


ATLANTIC CITY ELECTRIC COMPANY

Dated: March 15, 2021

By:  _____
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GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: March 15, 2021

By:  _____
Brandon C. Simmons
Deputy Attorney General

DIVISION OF RATE COUNSEL
STEFANIE A. BRAND, DIRECTOR

Dated: March 15, 2021

By:  _____
T. David Wand
Managing Attorney - Electric

Attachment A

Atlantic City Electric Company

Development of PowerAhead Revenue Requirements
Annualized Revenue Requirement

Filing Date
Recovery Period

(1)
November 1, 2020
July 2020 - December 2020
PowerAhead Roll-in #4

Rate Base:

Gross Plant	\$	8,135,646
Accumulated Depreciation	\$	58,004
Deferred Taxes	\$	(8,827)
Net Rate Base	\$	8,086,469

Operating Income:

Depreciation	\$	336,490
SIT-Current	\$	(44,124)
FIT-Current	\$	(93,690)
Deferred Taxes	\$	(8,827)
Total Operating Expenses	\$	189,849
Return Required	\$	572,522
Required Oper. Income	\$	762,371

Revenue Conversion Factor

		1.39460
Revenue Requirement	\$	1,063,199

Income Statement Check

Revenue	\$	1,063,199
Depreciation & Amortization	\$	336,490
Other Taxes	\$	2,731
Interest Expense	\$	185,180
Net income before Taxes	\$	538,798

Income Tax - Current	\$	160,284
Income Tax - Deferred	\$	(8,827)

Earnings	\$	387,342
Return on Equity per WACC	\$	387,342

MACRS	\$	305,087
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Atlantic City Electric Company												
Depreciation Accrual Rates & Actual Closings by Plant Account												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			Distribution				Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Line No.	FERC/NARUC	Plant Account	Allocation	Plant	Net Salvage	Total	CLOSINGS	CLOSINGS	CLOSINGS	CLOSINGS	CLOSINGS	CLOSINGS
1	361.00	STRUCTURES AND IMPROVEMENTS	100.00%	1.77%	0.13%	1.90%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	362.00	STATION EQUIPMENT	100.00%	2.13%	0.41%	2.54%	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -
3	364.00	POLES, TOWERS, AND FIXTURES	100.00%	1.68%	0.74%	2.42%	\$ 71,751	\$ (107,332)	\$ 265,479	\$ 66,561	\$ 333,012	\$ 3,171,078
4	365.00	OVERHEAD CONDUCTORS AND DEVICES	100.00%	1.86%	1.59%	3.45%	\$ 9,632	\$ 75	\$ 1,058,975	\$ 542,987	\$ 1,166,532	\$ 312,184
5	366.00	UNDERGROUND CONDUIT	100.00%	1.11%	0.01%	1.12%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	367.00	UNDERGROUND CONDUCTORS AND DEVICES	100.00%	1.50%	0.13%	1.63%	\$ 301,574	\$ (10,793)	\$ (2,505,349)	\$ (567,526)	\$ -	\$ 1,042,964
7	368.00	LINE TRANSFORMERS	100.00%	3.22%	1.15%	4.37%	\$ 56,834	\$ 210	\$ 1,660,702	\$ 10,293	\$ 194,694	\$ 61,108
8	369.10	SERVICES-OVERHEAD	100.00%	1.73%	1.22%	2.95%	\$ -	\$ 36,255	\$ -	\$ (36,255)	\$ -	\$ -
9	369.20	SERVICES-UNDERGROUND	100.00%	2.29%	0.13%	2.42%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	370.00	METERS	100.00%	6.61%	0.00%	6.61%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	371.10	INSTALLATIONS ON CUSTOMER PREMISES	100.00%	6.93%	0.00%	6.93%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	371.20	PRIVATE AREA LIGHTING	100.00%	2.33%	1.40%	3.73%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	372.00	LEASED PROPERTY ON CUSTOMER PREMISES	100.00%	9.63%	0.00%	9.63%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	373.10	STREET LIGHTING - OVERHEAD	100.00%	4.28%	2.09%	6.37%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	373.20	STREET LIGHTING - UNDERGROUND	100.00%	1.74%	1.08%	2.82%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16												
17												
18												
19	390.00	STRUCTURES AND IMPROVEMENTS										
20		GLASSBORO OPERATIONS OFFICE	89.27%	2.40%	0.00%	2.40%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21		PLEASANTVILLE OPERATIONS OFFICE	89.27%	3.59%	0.00%	3.59%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22		WINSLOW OPERATIONS OFFICE	89.27%	2.48%	0.00%	2.48%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		OTHER STRUCTURES	89.27%	1.16%	0.13%	1.29%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24												
25	392.00	TRANSPORTATION EQUIPMENT	89.27%	9.21%	-0.13%	9.08%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	397.20	MICROWAVE EQUIPMENT AND TOWERS	89.27%	4.00%	0.78%	4.78%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27												
28		OFFICE FURNITURE AND EQUIPMENT										
29	391.10	OFFICE FURNITURE	89.27%	5.00%	0.00%	5.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	391.30	INFORMATION SYSTEMS	89.27%	20.00%	0.00%	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31												
32												
33	393.00	STORES EQUIPMENT	89.27%	4.00%	0.00%	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	89.27%	4.00%	0.00%	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	397.10	COMMUNICATION EQUIPMENT	89.27%	6.67%	0.00%	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	398.00	MISCELLANEOUS EQUIPMENT	89.27%	5.00%	0.01%	5.01%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37												
38												
39												
							(1)	(2)	(3)	(4)	(5)	(6)
Total							\$ 439,791	\$ (81,584)	\$ 479,806	\$ 16,060	\$ 2,694,238	\$ 4,587,334

Atlantic City Electric Company
Tax Depreciation

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			2020	2020	2020	2020	2020	2020	Period 1	Annual Depreciation
			July	August	September	October	November	December	Jul - Dec 2020	Year 1 Run Rate
			3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
20 YR MACRS Depreciation Rates										
Investment Year	Investment Month	Investment Amount	1	2	3	4	5	6		
2020	July	\$ 439,791	\$1,374	\$1,374	\$1,374	\$1,374	\$1,374	\$1,374	\$8,246	\$16,492
2020	August	\$ (81,584)		(\$255)	(\$255)	(\$255)	(\$255)	(\$255)	(\$1,275)	(\$3,059)
2020	September	\$ 479,806			\$1,499	\$1,499	\$1,499	\$1,499	\$5,998	\$17,993
2020	October	\$ 16,060				\$50	\$50	\$50	\$151	\$602
2020	November	\$ 2,694,238					\$8,419	\$8,419	\$16,839	\$101,034
2020	December	\$ 4,587,334						\$14,335	\$14,335	\$172,025
6 m/e December 2020		\$ 8,135,646	\$1,374	\$1,119	\$2,619	\$2,669	\$11,088	\$25,424	\$44,294	\$305,087

Book Depreciation

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			2020	2020	2020	2020	2020	2020	Period 1	Annual Depreciation
			July	August	September	October	November	December	Jul - Dec 2020	Year 1 Run Rate
						3.48%	3.48%	3.48%		
Book Depreciation Rate¹										
Investment Year	Investment Month	Investment Amount	1	2	3	4	5	6		
2020	July	\$ 439,791	\$789	\$789	\$789	\$789	\$789	\$789	\$4,734	\$9,468
2020	August	\$ (81,584)		(\$141)	(\$141)	(\$141)	(\$141)	(\$141)	(\$705)	(\$1,692)
2020	September	\$ 479,806			\$6,225	\$6,225	\$6,225	\$6,225	\$24,898	\$74,695
2020	October	\$ 16,060				\$47	\$47	\$47	\$140	\$559
2020	November	\$ 2,694,238					\$7,815	\$7,815	\$15,630	\$93,782
2020	December	\$ 4,587,334						\$13,307	\$13,307	\$159,678
6 m/e December 2020		\$ 8,135,646	\$789	\$648	\$6,873	\$6,919	\$14,734	\$28,041	\$58,004	\$336,490

¹ Forecast Depreciation Rate Based on September 2020 FERC Account Balances and ACE Approved Depreciation Accrual Rates

Atlantic City Electric Company
2018 ACE BRC Stipulation and Settlement
Weighted Average Cost of Capital (WACC)

(1) Line No.	(2) <u>Capital Structure</u>	(3) <u>Weight</u>	(4) <u>Rate</u>	(5) <u>Overall Cost of Capital</u>
1	Long-Term Debt	50.06%	4.58%	2.29%
2	Common Stock	49.94%	9.60%	4.79%
3	Total	100.00%		7.08%

Atlantic City Electric Company
Development of Revenue Conversion Factor

(1) Line No.	(2) <u>Particulars</u>	(3) w/ Assessments <u>Factor</u>	(4) w/o Assessments <u>Factor</u>
1	<u>Tax Rates</u>		
2	Federal Income Tax	0.210000	0.210000
3	State Income Tax	0.090000	0.090000
4			
5	BPU Assessment	0.002026	0.000000
6	DRC Assessment	<u>0.000543</u>	<u>0.000000</u>
7			
8	<u>Conversion Factor</u>		
9	Revenue Increase	X	X
10			
11	BPU Assessment	0.002026	0.000000
12	DRC Assessment	<u>0.000543</u>	<u>0.000000</u>
13			
14	Total Other Tax	0.002569	0.000000
15			
16	State Taxable Income	0.997431	1.000000
17	State Income Tax	0.089769	0.090000
18			
19	Federal Taxable Income	0.907662	0.910000
20	Federal Income Tax	0.190609	0.191100
21			
22	Total Additional Taxes	0.282947	0.281100
23			
24	Increase in Earnings (1 - additional taxes)	0.717053	0.718900
25			
26	Revenue Conversion Factor (1/Incr in Earnings)	1.394597	1.391014

Atlantic City Electric Company

Development of PowerAhead Revenue Requirements
Plant Closing Schedule

	(1) Jul-20	(2) Aug-20	(3) Sep-20	(4) Oct-20	(5) Nov-20	(6) Dec-20	(7) Total
Plant Closings	\$ 439,791	\$ (81,584)	\$ 479,806	\$ 16,060	\$ 2,694,238	\$ 4,587,334	\$ 8,135,646
Total	<u>\$ 439,791</u>	<u>\$ (81,584)</u>	<u>\$ 479,806</u>	<u>\$ 16,060</u>	<u>\$ 2,694,238</u>	<u>\$ 4,587,334</u>	<u>\$ 8,135,646</u>
Cumulative	<u>\$ 439,791</u>	<u>\$ 358,207</u>	<u>\$ 838,014</u>	<u>\$ 854,073</u>	<u>\$ 3,548,311</u>	<u>\$ 8,135,646</u>	<u>\$ 8,135,646</u>

Atlantic City Electric Company
MACRS Tax Depreciation Rates

(1) Recovery Year	(2) 3-Year	(3) 5-Year	(4) 7-Year	(5) 10-Year	(6) 15-Year	(7) 20-Year
1	33.33	20	14.29	10	5	3.75
2	44.45	32	24.49	18	9.5	7.219
3	14.81	19.2	17.49	14.4	8.55	6.677
4	7.41	11.52	12.49	11.52	7.7	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.9	4.888
8			4.46	6.55	5.9	4.522
9				6.56	5.91	4.462
10				6.55	5.9	4.461
11				3.28	5.91	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Attachment B

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule **RS**
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 255,434,719
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 272,357,269

1	2	3	4	5	6	7 = 2 x (4+6)	8	9	10	11 = 2 x (8+10)	12	13 = 2 x (9+12)	
Blocks	Normalized Billing Determinants	Current Distribution Rates (including SUT)	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	Proposed Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (w/o SUT)	Proposed Distribution Rates (including SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %
CUSTOMER	5,874,548	\$ 5.77	\$ 5.410000			\$ 31,781,305	\$ 5.41			\$ 31,781,305	\$ 5.77	\$ 33,896,142	
SUM 'First 750 KWh	1,042,134,494	\$ 0.065988	\$ 0.061888	\$ (0.004884)	\$ (0.004581)	\$ 59,721,667	\$ 0.062046	\$ (0.004884)	\$ (0.004581)	\$ 59,886,917	\$ 0.066157	\$ 63,854,707	
SUM '> 750 KWh	659,045,318	\$ 0.076732	\$ 0.071965	\$ (0.004884)	\$ (0.004581)	\$ 44,409,151	\$ 0.072123	\$ (0.004884)	\$ (0.004581)	\$ 44,513,655	\$ 0.076901	\$ 47,462,467	
WIN	2,281,974,074	\$ 0.060436	\$ 0.056681	\$ (0.004884)	\$ (0.004581)	\$ 118,890,993	\$ 0.056839	\$ (0.004884)	\$ (0.004581)	\$ 119,252,842	\$ 0.060605	\$ 127,153,877	
TOTAL ENERGY	3,983,153,885					\$ 223,021,811				\$ 223,653,414		\$ 238,471,051	
TOTAL REVENUE						\$ 254,803,115				\$ 255,434,719		\$ 272,367,193	0.2479%
										-	\$	(9,924)	

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule	MGS SECONDARY	
Distribution Functional Revenue Requirements Total (w/o SUT)	\$	76,901,477
Distribution Functional Revenue Requirements Total (w/ SUT)	\$	81,996,200

	1	2	3	4	5	6	7 = 2 x (4+6) Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	8	9	10	11 = 2 x (8+10) Recovery under Proposed Distribution Rates (w/o SUT)	12	13 = 2 x (9+12) Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %			
BLOCK	Billing Determinants		Current Distribution Rates (including SUT)	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Rate (including SUT)					
CUSTOMER																	
Single Phase Service	448,562	\$	9.96	\$			4,189,097	\$			4,189,097	\$	9.96	\$	4,467,678		
3 Phase Service	159,641	\$	11.59	\$			1,735,462	\$			1,735,462	\$	11.59	\$	1,850,239		
DEMAND CHARGE - All kW's																	
Summer	2,183,636	\$	2.70	\$			5,529,613	\$			5,541,900	\$	2.71	\$	5,917,653		
Winter	3,281,892	\$	2.22	\$			6,828,226	\$			6,846,694	\$	2.22	\$	7,285,799		
REACTIVE DEMAND																	
	49,310	\$	0.58	\$			26,664	\$			26,664	\$	0.58	\$	28,600		
ENERGY CHARGE																	
Summer	505,480,023	\$	0.057810	\$	(0.004789)	(0.004491)	25,135,681	\$	0.054344	(0.004789)	(0.004491)	\$	25,199,512	\$	0.057944	\$	26,868,791
Winter	756,777,190	\$	0.051659	\$	(0.004789)	(0.004491)	33,266,584	\$	0.048576	(0.004789)	(0.004491)	\$	33,362,148	\$	0.051794	\$	35,572,312
TOTAL	<u><u>1,262,257,212</u></u>						<u><u>\$ 76,711,326</u></u>				<u><u>\$ 76,901,477</u></u>		<u><u>\$ 81,991,071</u></u>		0.2479%		
											\$ -		\$ 5,129				

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule	MGS PRIMARY	
Distribution Functional Revenue Requirements Total (w/o SUT)	\$	1,454,203
Distribution Functional Revenue Requirements Total (w/ SUT)	\$	1,550,544

	1	2	3	4	5	6	7 = 2 x (4+6) Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	8	9	10	11 = 2 x (8+10) Recovery under Proposed Distribution Rates (w/o SUT)	12	13 = 2 x (9+12) Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %
BLOCK	Billing Determinants		Current Distribution Rates (including SUT)	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Rate (including SUT)		
CUSTOMER														
Single Phase Service	558	\$	14.70	\$ 13.79			\$ 7,693	\$ 13.79			\$ 7,693	\$ 14.70	\$ 8,203	
3 Phase Service	573	\$	15.97	\$ 14.98			\$ 8,582	\$ 14.98			\$ 8,582	\$ 15.97	\$ 9,151	
DEMAND CHARGE														
SUM > 3 KW	60,159	\$	1.58	\$ 1.48			\$ 89,135	\$ 1.48			\$ 89,315	\$ 1.58	\$ 95,051	
WIN > 3 KW	97,120	\$	1.23	\$ 1.15			\$ 112,019	\$ 1.16			\$ 112,309	\$ 1.23	\$ 119,457	
REACTIVE DEMAND														
	53,681	\$	0.43	\$ 0.40			\$ 21,649	\$ 0.40			\$ 21,649	\$ 0.43	\$ 23,083	
ENERGY CHARGE														
SUM < 300KWh	11,180,577	\$	0.044529	\$ 0.041762	(0.004098)	\$ (0.003843)	\$ 423,952	\$ 0.041858	(0.004098)	\$ (0.003843)	\$ 425,023	\$ 0.044631	\$ 456,029	
WIN < 300 KWh	21,445,422	\$	0.043256	\$ 0.040568	(0.004098)	\$ (0.003843)	\$ 787,577	\$ 0.040664	(0.004098)	\$ (0.003843)	\$ 789,631	\$ 0.043358	\$ 847,408	
TOTAL	<u><u>32,625,999</u></u>						<u><u>\$ 1,450,607</u></u>				<u><u>\$ 1,454,203</u></u>		<u><u>\$ 1,558,382</u></u>	0.2479%
											\$ -		\$ (7,837)	

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule **AGS SECONDARY**
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 59,927,111
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 63,897,283

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
BLOCK	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change	
													%	
CUSTOMER	40,934	\$ 193.22	\$ 181.21			\$ 7,417,809	\$ 181.21	\$ 7,417,809	\$ 193.22			\$ 7,909,267		
DEMAND CHARGE	5,438,743	\$ 11.16	\$ 10.47			\$ 56,938,484	\$ 10.50	\$ 57,086,663	\$ 11.19			\$ 60,859,533		
REACTIVE DEMAND	418,768	\$ 0.86	\$ 0.81			\$ 339,202	\$ 0.81	\$ 339,202	\$ 0.86			\$ 360,141		
ENERGY CHARGE	1,882,328,532			\$ (0.002785)	\$ (0.002612)	\$ (4,916,563)		\$ (4,916,563)		\$ (0.002785)	\$ (0.002612)	\$ (5,242,285)		
TOTAL REVENUE						\$ 59,778,932		\$ 59,927,111				\$ 63,886,657	0.2479%	
								\$ -						

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule **AGS PRIMARY**
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 11,604,050
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 12,372,818

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
BLOCK	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change	
													%	
CUSTOMER	1,498	\$ 744.15	\$ 697.91			\$ 1,045,473	\$ 697.91	\$ 1,045,473	\$ 744.15			\$ 1,114,737		
DEMAND CHARGE	1,351,130	\$ 8.89	\$ 8.33			\$ 11,260,890	\$ 8.36	\$ 11,289,583	\$ 8.91			\$ 12,038,570		
REACTIVE DEMAND	247,802	\$ 0.67	\$ 0.63			\$ 156,115	\$ 0.63	\$ 156,115	\$ 0.67			\$ 166,027.27		
ENERGY CHARGE	583,524,109			\$ (0.001621)	\$ (0.001520)	\$ (887,121)		\$ (887,121)		\$ (0.001621)	\$ (0.001520)	\$ (945,892.58)		
TOTAL REVENUE						\$ 11,575,357		\$ 11,604,050				\$ 12,373,441	0.2479%	
								\$ -				\$ 623		

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule **TGS SUB TRANSMISSION**
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 3,561,390
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 3,797,332

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
BLOCK	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change	
													%	
CUSTOMER														
<5000 KW	317	\$ 131.75	\$ 123.56			\$ 39,170	\$ 123.56	\$ 39,170	\$ 131.75			\$ 41,765		
5000 - 9000 KW	75	\$ 4,363.57	\$ 4,092.45			\$ 306,933	\$ 4,092.45	\$ 306,933	\$ 4,363.57			\$ 327,268		
>9000 KW	39	\$ 7,921.01	\$ 7,428.85			\$ 289,725	\$ 7,428.85	\$ 289,725	\$ 7,921.01			\$ 308,919		
DEMAND CHARGE														
<5000 KW	449,777	\$ 3.80	\$ 3.57			\$ 1,605,053	\$ 3.58	\$ 1,608,471	\$ 3.81			\$ 1,713,650		
5000 - 9000 KW	392,725	\$ 2.93	\$ 2.75			\$ 1,081,019	\$ 2.76	\$ 1,084,004	\$ 2.94			\$ 1,154,612		
>9000 KW	316,183	\$ 1.47	\$ 1.38			\$ 437,383	\$ 1.39	\$ 439,786	\$ 1.48			\$ 467,951		
REACTIVE DEMAND														
<5000 KW	113,948	\$ 0.52	\$ 0.49			\$ 55,571	\$ 0.49	\$ 55,571	\$ 0.52			\$ 59,252.99		
5000 - 9000 KW	71,151	\$ 0.52	\$ 0.49			\$ 34,700	\$ 0.49	\$ 34,700	\$ 0.52			\$ 36,998.75		
>9000 KW	60,239	\$ 0.52	\$ 0.49			\$ 29,378	\$ 0.49	\$ 29,378	\$ 0.52			\$ 31,324.50		
ENERGY CHARGE	575,156,494			\$ (0.000605)	\$ (0.000567)	\$ (326,349)		\$ (326,349)		\$ (0.000605)	\$ (0.000567)	\$ (347,970)		
TOTAL REVENUE						\$ 3,552,584		\$ 3,561,390				\$ 3,793,771	0.2479%	
								\$ -						

Atlantic City Electric Company
Development of Proposed Distribution Rate
Rate Design Worksheet

Rate Schedule		TGS TRANSMISSION												
Distribution Functional Revenue Requirements Total (w/o SUT)		\$	2,163,292											
Distribution Functional Revenue Requirements Total (w/ SUT)		\$	2,306,610											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
BLOCK	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change	
														%
CUSTOMER														
<5000 KW	75	\$ 128.21	\$ 120.24			\$ 9,018	\$ 120.24	\$ 9,018	\$ 128.21				\$ 9,616	
5000 - 9000 KW	57	\$ 4,246.42	\$ 3,982.57			\$ 227,007	\$ 3,982.57	\$ 227,007	\$ 4,246.42				\$ 242,046	
>9000 KW	51	\$ 19,316.15	\$ 18,115.97			\$ 923,914	\$ 18,115.97	\$ 923,914	\$ 19,316.15				\$ 985,124	
DEMAND CHARGE														
<5000 KW	223,373	\$ 2.96	\$ 2.78			\$ 620,622	\$ 2.79	\$ 622,151	\$ 2.97				\$ 663,417	
5000 - 9000 KW	221,139	\$ 2.29	\$ 2.15			\$ 475,459	\$ 2.16	\$ 476,972	\$ 2.30				\$ 508,621	
>9000 KW	337,169	\$ 0.16	\$ 0.15			\$ 51,380	\$ 0.16	\$ 53,687	\$ 0.17				\$ 57,319	
REACTIVE DEMAND														
<5000 KW	86,421	\$ 0.50	\$ 0.47			\$ 40,526	\$ 0.47	\$ 40,526	\$ 0.50				\$ 43,210	
5000 - 9000 KW	71,851	\$ 0.50	\$ 0.47			\$ 33,693	\$ 0.47	\$ 33,693	\$ 0.50				\$ 35,926	
>9000 KW	110,424	\$ 0.50	\$ 0.47			\$ 51,782	\$ 0.47	\$ 51,782	\$ 0.50				\$ 55,212	
ENERGY CHARGE	466,202,972			\$ (0.000630)	\$ (0.000591)	\$ (275,459)		\$ (275,459)		\$ (0.000630)	\$ (0.000591)		\$ (293,708)	
TOTAL REVENUE						\$ 2,157,943		\$ 2,163,292				\$ 2,306,782	0.2479%	
								\$ -						

Atlantic City Electric Company

Development of Proposed Distribution Rate

Rate Design Worksheet

Stand By Rate

Rate Schedule	Demand Rates (\$/kW)		Standby Rates (\$/kW)		Distribution
		Distribution		Distribution	Standby
MGS Secondary	\$	2.42	\$	0.15	0.060975610
MGS Primary	\$	1.36	\$	0.14	0.101604278
AGS Secondary	\$	11.19	\$	1.14	0.101604278
AGS Primary	\$	8.91	\$	0.91	0.101604278
TGS - Sub Transmission	\$	-	\$	-	0.101604278
TGS Transmission	\$	-	\$	-	

I/M/O the Petition of Atlantic City Electric Company for Approval of Electric Base Rate
Adjustments Pursuant to Its Infrastructure Investment Program (11/2020)
BPU Docket No. ER20110694

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