



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 AND ITS SOCIETAL)
BENEFITS CHARGE (2021)) DOCKET NO. ER21020088

Parties of Record:

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

BY THE BOARD:

On February 1, 2021, Atlantic City Electric Company (“ACE” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval of changes in its Non-Utility Generation Charge (“NGC”) and its Societal Benefits Charge (“SBC”) (“February 2021 Petition”). 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 “Parties”), related to the Company’s requests in this matter.

BACKGROUND

As a result of the Board’s Final Decisions and Orders issued in Docket Nos. EO97070455, EO97070456, and EO97090457, 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.¹ 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, Order dated March 30, 2001, (“Restructuring Order”).

Pursuant to the Restructuring Order, and to the extent that expenditures for these initiatives exceeded the amount of their allowed cost recovery, the expenditures were subject to deferred accounting treatment for future recovery at the close of the transition period. The Board directed ACE to make a filing, no later than August 1, 2002, for the Board's consideration. By Order dated July 8, 2004, 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 as of August 1, 2003.²

By Order dated May 26, 2005, the Board approved a stipulation in ACE's 2003 base rate case, which adjusted and combined the NNC and MTC into the NGC, effective as of June 1, 2005.³

COMPANY FILING

On February 1, 2021, the Company filed the February 2021 Petition and accompanying exhibits, including pre-filed direct testimony. The Company's NGC is designed to recover the above-market component of payments made under purchased power agreements ("PPAs") with nonutility generators ("NUGs"). The SBC components proposed to be reconciled and reset by the instant petition are the Clean Energy Program component ("CEP") and the Uncollectible Accounts component ("UNC"). In the February 2021 Petition, the projected deferred balances were based upon actual costs and revenues through December 31, 2020, and projected data for the period of January 1, 2021 through March 31, 2022. Through the course of the proceeding, ACE updated its proposed adjustments to the NGC and to the CEP and UNC components of the SBC based upon projected deferred balances that included actual costs and revenues through March 31, 2021 ("March 2021 Update").

NGC

With respect to the NGC, the rate proposed in the March 2021 Update was designed to recover forecasted above-market NUG costs for the period April 1, 2021 through March 31, 2022, totaling \$106.682 million. According to the Company, approval of the proposed rate would also recover the projected under-recovered balance of \$5.521 million (inclusive of the projected NGC revenues through May 31, 2021). The net forecasted recovery for this period is \$112.203 million, resulting in an increase of approximately \$3.917 million over what is currently being recovered in rates.

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

³ In re the Petition of Atlantic City Electric Company d/b/a Conectiv 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 Conectiv 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.

SBC (UNC AND CEP)

According to the March 2021 Update, the rates proposed for the UNC component of the SBC were designed to recover a projected uncollectible expense of approximately \$9.365 million for the period April 1, 2021 through March 31, 2022. Additionally, the proposed rate would recover from customers the net projected under-recovered balance of \$20.089 million as of March 31, 2021 (inclusive of the projected UNC revenues through May 31, 2021). The total uncollectible recovery for this period is \$29.454 million, which is an increase of approximately \$27.495 million over what is currently being recovered in rates.

The rates proposed for the CEP component of the SBC were designed to recover approximately \$28.514 million for the period April 1, 2021 through March 31, 2022. ACE based its projections on the funding levels approved by the Board in its Order dated September 23, 2020 in Docket No. QO20080538.⁴ The Company represented that the average monthly expenditures from the fiscal year 2021 projected funding levels, as found in the CEP Funding Order, were used to develop the monthly expenditures for the periods July 2021 to March 2022. In addition, the proposed rate would recover from customers a total projected under-recovery of approximately \$3.658 million as of March 31, 2021, and projected revenues of \$3.579 million for April and May 2021. The total projected clean energy program recovery for this period of \$28.594 million results in an increase of approximately \$1.906 million from what is currently being recovered in rates.

According to the March 2021 Update, the net impact of adjusting the NGC and the CEP and UNC components of the SBC [including Sales and Use Tax (“SUT”)] would result in an overall annual rate increase of approximately \$33.318 million.

COVID-19 Proceeding

On July 2, 2020, the Board issued an Order in Docket No. AO20060471.⁵ In the July 2020 COVID Order, the Board authorized each of the State’s utilities to defer, on their books and records, the prudently incurred incremental costs related to COVID-19 beginning March 9, 2020 through September 30, 2021 or 60 days after Governor Murphy issues an order, declaration, proclamation, or similar announcement that the public health emergency is no longer in effect or, in the absence of such an order, declaration, proclamation or similar announcement, 60 days from the time the public health emergency automatically terminates pursuant to N.J.S.A. 26:13-3(b), whichever is later.

The Board found that deferral of such costs is appropriate because the current catastrophic health emergency is outside the control of the utilities and is a non-recurring event. The Board ordered all deferred incremental COVID-19 related costs be offset by any federal or state assistance that the utility may receive as a direct result of the COVID-19 pandemic. The Board further ordered that all affected utilities maintain detailed records of the incremental COVID-19 related costs and savings during the COVID-19 pandemic.

⁴In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the Fiscal Year 2021, BPU Docket No. QO20080538, Order dated September 23, 2020 (“CEP Funding Order”).

⁵ In re the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic, BPU Docket No. AO20060471, Order dated July 2, 2020 (“July 2020 COVID Order”).

Lastly, the July 2020 COVID Order required that all affected utilities file a petition with the Board by December 31, 2021 or within 60 days of the close of the regulatory asset period, whichever is later. Any potential rate recovery, including any prudency determinations and the appropriate period of recovery for any approved amount of the regulatory asset and any associated savings, is to be addressed in this COVID-19 regulatory asset filing or, in the alternative, a utility may request that the Board defer consideration of rate recovery in a future rate case. All costs remain subject to audit by the Board.

After notice, telephonic public hearings were held on May 12, 2021 at 4:30 p.m. and 5:30 p.m.⁶ No members of the public called in to either public hearing or submitted written comments.

STIPULATION

Following discovery, the Parties discussed the issues in this matter. As a result, the Parties executed the Stipulation, which provides for the following:⁷

1. The Parties determined that, because the Company's filing requires additional review by the Parties, and that further discovery may be necessary, additional time is needed to assess any public comments and complete the review of the proposed rates and underlying costs for reasonableness and prudency. The Parties agreed, that, based upon the actual data as of March 31, 2021, the implementation of provisional NGC and SBC rates is appropriate at this time, as modified in the Stipulation. The interim rates proposed in the Stipulation will be subject to refund upon a final determination of rates to replace or confirm the interim rates agreed upon in the Stipulation. Such final determination shall be concluded after further discovery, a prudence review, and the opportunity for an evidentiary hearing, if necessary.
2. As noted in the Stipulation, due to the COVID-19 Pandemic and the impact it has had on ACE's business and residential customers, it was agreed that a portion of the UNC recovery would be deferred to a future SBC filing, resulting in an overall increase in total NGC and SBC charges of approximately \$16.491 million.
3. The Company's proposed NGC rate component of \$0.014520 per kWh, inclusive of SUT, should be implemented on a provisional basis (see Settlement Schedule 1, page 1, line 36).
4. The Company's proposed UNC rate component of \$0.001762 per kWh, inclusive of SUT, should be implemented on a provisional basis (see Settlement Schedule 3, page 1, line 17).
5. The Company's proposed CEP rate component of \$0.003673 per kWh, inclusive of SUT, should be implemented on a provisional basis (see Settlement Schedule 2, page 1, line 31).

⁶ The hearings were held telephonically due to the COVID-19 pandemic.

⁷ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

6. The combined NGC, UNC, and CEP rate changes result in a bill increase of \$1.36 or 1.01% for the average residential customer using approximately 679 kWh per month (see Settlement Schedule 4, page 4).
7. The Updates in this proceeding, with actual data through March 31, 2021, i.e., the end of the reconciliation period, indicate total period NGC costs that the Company proposes to recover through the NGC charge of \$112.203 million, including interest. See Settlement Schedule 1, page 1, line 24. This total consists of forecasted above-market NGC costs of \$106.682 million for the period April 1, 2021 through March 31, 2022, and an under-recovered balance as of March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$5.522 million, including interest. See Settlement Schedule 1, page 1, line 18; and page 1, line 22. Accordingly, the Company will implement a provisional residential NGC charge of \$0.014520 per kWh, on a date to be determined by the Board, inclusive of SUT. See Settlement Schedule 1, page 1, line 36.
8. The Updates as of March 31, 2021 indicated SBC costs for both the CEP and the UNC of \$58.047 million. As a result of the Parties agreeing to defer a portion of the UNC cost recovery to a future SBC filing, with cost recovery based upon the outcome of the COVID-19 Proceeding, the SBC costs were reduced to \$42.312 million. For the CEP component of the SBC, the costs total \$28.594 million. This total consists of \$28.514 million of projected CEP costs for the period April 1, 2021 through March 31, 2022, and an under-recovered balance as of March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$0.080 million. See Settlement Schedule 2, page 1, line 23; and page 2, line 17. The Parties have agreed, using the average of the five (5) most recent years of Uncollectible expense, that the Company shall limit its request in this proceeding for the UNC cost component of the SBC to \$13.719 million. This total includes \$9.365 million of projected UNC costs for the period April 1, 2021 through March 31, 2022, and an under-recovered balance at March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$20.089 million. See Settlement Schedule 3, page 1, line 1; page 2, line 17. From the total of these amounts, \$15.735 million was deducted and will be deferred to a future SBC filing, with the cost recovery amortization period based upon the outcome of the COVID-19 Proceeding. See Settlement Schedule 3, page 1, line 9. Nothing in the Stipulation shall preclude any Party from arguing that the deferred amount should be increased or decreased due to funds received from any federal, state or other program, findings in the COVID-19 Proceeding or by Board Order.
9. The Company will implement a provisional CEP rate of \$0.003673 per kWh, inclusive of SUT, and a provisional UNC rate of \$0.001762 per kWh, inclusive of SUT. This represents a net increase of \$0.001511 per kWh to the SBC rate. See Settlement Schedule 2, page 1, line 31; and see Settlement Schedule 3, page 1, line 17.
10. The Parties agree that implementation of the Provisional Stipulation will result in an overall increase in NGC and SBC charges of \$16.491 million, and that it is in the public interest to have that increase become effective on June 1, 2021 or on a date approved by the Board ("Effective Date"), on a provisional basis.

11. The Parties further agree to the establishment of NGC and SBC rates designed for recovery from the Effective Date through May 31, 2022, 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 this Stipulation. See Settlement Schedule 5 for the proposed Tariff pages incorporating the new rates. As shown in Settlement Schedule 4, the impact of the proposed rate changes, including SUT, is an estimated annual increase of \$3.916 million related to the NGC component and an estimated annual increase of \$12.574 million related to the combined CEP and UNC components of the SBC. The CEP component consists of an increase of \$1.906 million. The UNC component consists of an increase of \$10.669 million. Consequently, the overall impact of the proposed rate changes is an estimated annual increase of \$16.491 million (including SUT) for all components.
12. The Parties agree that ACE will continue to explore opportunities to mitigate the terms of the ongoing NUG contracts. The Parties further agree that ACE will continue to file quarterly reports with Staff and Rate Counsel showing the actual NGC and SBC deferred balances. The reports will also include a forecast of the deferred balance on March 31, 2022, 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 UNC amount that was deferred to a future filing, ACE, following consultation with Staff and Rate Counsel, will file a petition to update the NGC and SBC components with an effective date prior to June 1, 2022.

DISCUSSION AND FINDING

The Board carefully reviewed the record to date in this proceeding, including the February 2021 Petition, the March 2021 Update, and the attached Stipulation. The Board **HEREBY FINDS** that 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** the rate changes as shown in the attachments to the Stipulation on a provisional basis, subject to refund with interest. For an average residential customer using approximately 679 kWh per month, the cumulative impact of these changes represents an increase of approximately \$1.36 or 1.01% on a total monthly bill. These changes shall become effective as of June 15, 2021.

The Board **HEREBY ORDERS** ACE to file revised tariff sheets conforming to the terms of the Stipulation by June 15, 2021.

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.

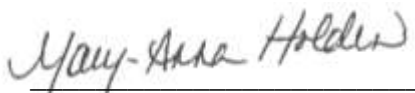
The effective date of this Order is June 10, 2021.

DATED: June 9, 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 TO
RECONCILE AND UPDATE THE LEVEL OF ITS NON-UTILITY GENERATION CHARGE
AND ITS SOCIETAL BENEFITS CHARGE (2021)**

DOCKET NO. ER21020088

SERVICE LIST

<u>Atlantic City Electric Company</u>	<u>New Jersey Board of Public Utilities</u>
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May 20, 2021

VIA ELECTRONIC MAIL

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board.secretary@bpu.nj.gov

Aida Camacho-Welch
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

RE: In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its Non-Utility Generation Charge and Its Societal Benefits Charge (2021)

BPU Docket No. ER21020088

Dear Secretary Camacho-Welch:

Enclosed herewith for filing is a fully executed Stipulation for Provisional Rates (the “Stipulation”) in connection with the above-referenced matter.

Consistent with the Order issued by the New Jersey 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, the Stipulation and its attachments are being electronically filed with the Secretary of the Board, the New Jersey Division of Rate Counsel, and the Division of Law. No paper copies will follow.

We respectfully request that the Stipulation be placed on the Board’s agenda at the earliest opportunity.

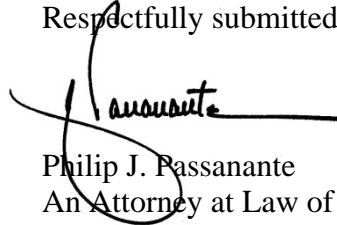
Aida Camacho-Welch

May 20, 2021

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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", with a long horizontal line extending to the right.

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 TO
RECONCILE AND UPDATE THE
LEVEL OF ITS NON-UTILITY
GENERATION CHARGE AND ITS
SOCIETAL BENEFITS CHARGE
(2021)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

BPU DOCKET NO. ER21020088

STIPULATION FOR
PROVISIONAL RATES**

APPEARANCES:

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

T. David Wand, Esq., Managing Attorney – Electric, **Robert M. Glover, Esq.,** Assistant Deputy Rate Counsel, and **Bethany Rocque-Romaine, Esq.,** 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**)

PROCEDURAL HISTORY

On February 1, 2021, Atlantic City Electric Company ("ACE" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking approval to reconcile and update ACE's Non-Utility Generation Charge ("NGC") and Societal Benefits Charge ("SBC") ("2021 SBC/NGC Petition").

The purpose of the 2021 SBC/NGC Petition was to reconcile the levels of the NGC and two (2) components of the SBC for the current annual period of April 1, 2020 through March 31, 2021, and reset the levels for the projected period of April 1, 2021 through March 31, 2022. The SBC components to be adjusted include the Clean Energy Program ("CEP") rate and the Uncollectible Accounts ("UNC") rate. The projected deferred balances reflected in the 2021 SBC/NGC Petition included actual costs and revenues through December 31, 2020.

ACE's NGC provides for recovery of the above-market portion of payments made pursuant to the Company's Non-Utility Generation ("NUG") contracts. ACE's SBC was

established to recover costs related to its 1) Universal Service Fund and Lifeline social programs; 2) Clean Energy Programs; and 3) Uncollectible Accounts.

In the 2021 SBC/NGC Petition, the proposed net increase, including Sales and Use Tax (“SUT”), totaled \$31.645 million, comprised of the following: (i) a \$7.379 million increase to the NGC; (ii) a \$2.105 million increase to CEP; and (iii) a \$22.161 million increase to UNC.

Subsequent to its initial filing of the 2021 SBC/NGC Petition, the Company updated its proposed adjustments to the NGC, and the CEP and UNC components of the SBC based upon actual data as of January 31, 2021, February 28, 2021, and March 31, 2021 (“Updates”). Based upon the actual data as of March 31, 2021, ACE proposed to increase NGC and SBC recoveries by \$33.318 million, comprised of the following: (i) a \$3.916 million increase to the NGC; (ii) a \$1.905 million increase to CEP; and (iii) a \$27.495 million increase to UNC.

COVID-19 PANDEMIC

Governor Philip D. Murphy, through a series of Executive Orders, and the Board, through a series of its own Orders, respectively, acknowledged both the health concerns associated with the COVID-19 Pandemic and the negative economic impact on businesses and residential customers who rely upon essential utility services. On March 9, 2020, Governor Murphy issued Executive Order 103, declaring a Public Health Emergency and State of Emergency. Working in coordination with the Board, the State’s electric and gas utilities began to implement steps to address the needs of impacted utility customers, including an extension of the annual Winter Termination Program (“moratorium”) on service curtailments, under N.J.A.C. 14:3-3A.5, beyond the March 15, 2020 end date, and the expansion of the program to include commercial and industrial customers. On August 21, 2020, Governor Murphy announced the utilities’ agreement to further extend the moratorium on service curtailments for residential and commercial and

industrial customers to October 15, 2020. On October 15, 2020, Governor Murphy signed Executive Order 190, which further extended the moratorium on residential customer curtailments to March 15, 2021. Finally, on March 3, 2021, Governor Murphy signed Executive Order 229, extending the moratorium on service curtailments for residential customers to June 30, 2021. Acknowledging the negative economic impact on utilities associated with complying with the Governor's COVID-19 Executive Orders, the Board issued an Order on July 2, 2020 authorizing each of the State's utilities to create a regulatory asset for deferral on their books of all prudently incurred incremental costs related to COVID-19. Finally, by Order dated October 28, 2020, in BPU Docket No. AO20060471, the Board invited comments from interested parties to address the scope of a proceeding to investigate the ramifications of COVID-19 on Board regulated entities, and to establish a proceeding to investigate the impact on utilities of COVID-19 ("COVID-19 Proceeding"). Since that time, the Board engaged stakeholders and developed working groups. With respect to the impact of the COVID-19 Pandemic on the Company's SBC, and in particular the UNC component thereof, the Parties agreed to address ACE's UNC component as set forth herein.

Notice of ACE's 2021 SBC/NGC Petition, including the date and time of telephonic public comment hearings, was placed in newspapers having a circulation within the Company's service territory, and was duly served on the Clerks of the municipalities and County representatives within the Company's electric service territory. In accordance with that notice, two (2) public hearings (at 4:30 P.M. and 5:30 P.M.) were held via telephone conference on May 12, 2021, due to COVID-19 Pandemic.¹ No members of the public spoke at either hearing.

¹ Due to the COVID-19 Pandemic, in-person public hearings have been temporarily replaced by telephonic public hearings in compliance with Governor Murphy's mandate requiring social distancing.

STIPULATION

Representatives from ACE, Board Staff (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”) have reviewed and analyzed the 2021 NGC/SBC Petition, the Updates, as well as ACE’s responses to discovery requests, and have discussed the facts and issues in this matter. As a result thereof, the Parties to this Stipulation of Settlement (“Stipulation”) AGREE as follows:

1. The Parties determined that, because the Company's filing requires additional review by the Parties, and that further discovery may be necessary, additional time is needed to assess any public comments and complete the review of the proposed rates and underlying costs for reasonableness and prudence. The Parties agreed that, based upon the actual data as of March 31, 2021, the implementation of provisional NGC and SBC rates is appropriate at this time as modified below. The interim rates proposed herein will be subject to refund upon a final determination of rates to replace or confirm the interim rates agreed upon in this Stipulation. Such final determination shall be concluded after further discovery, a prudence review, and the opportunity for an evidentiary hearing, if necessary.

2. As noted herein, due to the COVID-19 Pandemic and the impact it has had on ACE’s business and residential customers, it was agreed that a portion of the UNC recovery would be deferred to a future SBC filing, resulting in an overall increase in total NGC and SBC charges of approximately \$16.491 million.

3. The Company’s proposed NGC rate component of \$0.014520 per kWh, inclusive of SUT, should be implemented on a provisional basis (*see* Settlement Schedule 1, page 1, line 36).

4. The Company’s proposed UNC rate component of \$0.001762 per kWh, inclusive

of SUT, should be implemented on a provisional basis (*see* Settlement Schedule 3, page 1, line 17).

5. The Company's proposed CEP rate component of \$0.003673 per kWh, inclusive of SUT, should be updated on a provisional basis (*see* Settlement Schedule 2, page 1, line 31).

6. The combined NGC, UNC, and CEP rate changes result in a bill increase of \$1.36 or 1.01% for the average residential customer using approximately 679 kWh per month (*see* Settlement Schedule 4, page 4).

7. The Updates in this proceeding, with actual data through March 31, 2021, *i.e.*, the end of the reconciliation period, indicate total period NGC costs that the Company proposes to recover through the NGC charge of \$112.203 million, including interest. *See* Settlement Schedule 1, page 1, line 24. This total consists of forecasted above-market NGC costs of \$106.682 million for the period April 1, 2021 through March 31, 2022, and an under-recovered balance as of March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$5.522 million, including interest. *See* Settlement Schedule 1, page 1, line 18; and page 1, line 22. Accordingly, the Company will implement a provisional residential NGC charge of \$0.014520 per kWh, on a date to be determined by the Board, inclusive of SUT. *See* Settlement Schedule 1, page 1, line 36.

8. The Updates as of March 31, 2021 indicated SBC costs for both the CEP and the UNC of \$58.047 million. As a result of the Parties agreeing to defer a portion of the UNC cost recovery to a future SBC filing, with cost recovery based upon the outcome of the COVID-19 Proceeding, the SBC costs were reduced to \$42.312 million. For the CEP component of the SBC, the costs total \$28.594 million. This total consists of \$28.514 million of projected CEP costs for the period April 1, 2021 through March 31, 2022, and an under-recovered balance as of March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$0.080 million. *See* Settlement Schedule 2, page 1, line 23; and page 2, line 17. The Parties have agreed, using the

average of the five (5) most recent years of Uncollectible expense, that the Company shall limit its request in this proceeding for the UNC cost component of the SBC to \$13.719 million. This total includes \$9.365 million of projected UNC costs for the period April 1, 2021 through March 31, 2022, and an under-recovered balance at March 31, 2021, inclusive of projected customer revenue through May 31, 2021, of \$20.089 million. See Settlement Schedule 3, page 1, line 1; page 2, line 17. From the total of these amounts, \$15.735 million was deducted and will be deferred to a future SBC filing, with the cost recovery amortization period based upon the outcome of the COVID-19 Proceeding. See Settlement Schedule 3, page 1, line 9. Nothing in this Stipulation shall preclude any Party from arguing that the deferred amount should be increased or decreased due to funds received from any federal, state or other program, findings in the COVID-19 Proceeding or by Board Order.

9. The Company will implement a provisional CEP rate of \$0.003673 per kWh, inclusive of SUT, and a provisional UNC rate of \$0.001762 per kWh, inclusive of SUT. This represents a net increase of \$0.001511 per kWh to the SBC rate. See Settlement Schedule 2, page 1, line 31; *and see* Settlement Schedule 3, page 1, line 17.

10. The Parties agree that implementation of this Provisional Stipulation will result in an overall increase in NGC and SBC charges of \$16.491 million, and that it is in the public interest to have that increase become effective on June 1, 2021 or on a date approved by the Board (“Effective Date”), on a provisional basis.

11. The Parties further agree to the establishment of NGC and SBC rates designed for recovery from the Effective Date through May 31, 2022, 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 this Stipulation. See Settlement Schedule 5 for the proposed Tariff pages incorporating the new rates. As shown in Settlement Schedule 4, the

impact of the proposed rate changes, including SUT, is an estimated annual increase of \$3.916 million related to the NGC component and an estimated annual increase of \$12.574 million related to the combined CEP and UNC components of the SBC. The CEP component consists of an increase of \$1.906 million. The UNC component consists of an increase of \$10.669 million. Consequently, the overall impact of the proposed rate changes is an estimated annual increase of \$16.491 million (including SUT) for all components.

12. The Parties agree that ACE will continue to explore opportunities to mitigate the terms of the ongoing NUG contracts. The Parties further agree that ACE will continue to file quarterly reports with Staff and Rate Counsel showing the actual NGC and SBC deferred balances. The reports will also include a forecast of the deferred balance on March 31, 2022, 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 UNC amount that was deferred to a future filing, ACE, following consultation with Staff and Rate Counsel, will file a petition to update the NGC and SBC components with an effective date prior to June 1, 2022.

13. 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 Party for any purpose whatsoever, including in this or any other proceeding. 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 (7) 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.

14. 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.

CONCLUSION

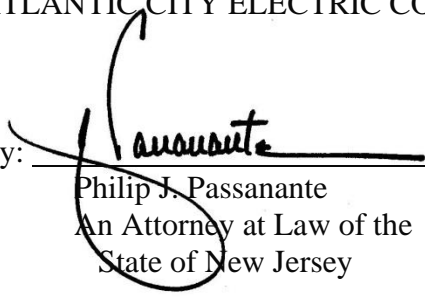
WHEREFORE, for the reasons set forth above, the Parties respectfully submit this Stipulation for Provisional Rates and request that the Board issue an Order on Provisional Rates adopting this Stipulation in its entirety, in accordance with the terms hereof, to make the proposed Provisional Rates effective on and after a date to be determined by the Board.

Respectfully submitted,

ATLANTIC CITY ELECTRIC COMPANY

Dated: May 19, 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: May 19, 2021

By: _____
Brandon C. Simmons
Deputy Attorney General

DIVISION OF RATE COUNSEL
STEFANIE A. BRAND
Director



Dated: May 19, 2021

By: _____
~~T. David Wand~~
~~Deputy Rate Counsel~~
Robert Glover
Assistant Deputy Rate Counsel

Settlement Schedule 1

Settlement Schedule 2

Line No.	Table 1 Projected Comprehensive Resource Analysis Program Expenditures April 2021 - March 2022	
	Month	Projected Expenditure
1		
2		
3		
4		
5	Apr-21	\$ 1,958,695
6	May-21	\$ 1,903,081
7	Jun-21	\$ 2,262,825
8	Jul-21	\$ 2,958,794
9	Aug-21	\$ 3,218,566
10	Sep-21	\$ 2,995,171
11	Oct-21	\$ 2,090,210
12	Nov-21	\$ 1,997,876
13	Dec-21	\$ 2,162,656
14	Jan-22	\$ 2,460,080
15	Feb-22	\$ 2,359,801
16	Mar-22	\$ 2,146,155
17		
18	Total	<u>\$ 28,513,910</u>

Projected based on NJBPU QO20080538 Order dated 9/23/2020 FY2021 Annual Expenditures

Line No.	Table 2 Clean Energy Program Funding Rate Design June 2021 - May 2022		
23	Total Period Expenditures	\$ 28,513,910	=Line 18
24	Projected (Over)/Under Recovered Balance At April 1, 2021	\$ 3,658,096	Settlement Schedule 2, Page 2, Col. 7 Row 15
25	Projected Retail CE Revenue - Apr. & May 2021	\$ (3,578,470)	Settlement Schedule 2, Page 2, Col. 7 Row 16
26	Total Clean Energy Program Recovery	\$ 28,593,535	=Line 23 + Line 24 + Line 25
27	Projected Delivered Sales June 2021 - May 2022	8,321,839,354	
28	Clean Energy Program Funding Rate (\$/kWh)	\$ 0.003436	
29	BPU Assessment	\$ 0.000009	
30	Rate without SUT (\$/kWh)	\$ 0.003445	
31	Rate Including SUT (\$/kWh)	\$ 0.003673	

Settlement Schedule 3

Line No.			
1	Projected Uncollectible Expense (April 2021 - March 2022)	\$ 9,364,551	Settlement Schedule 3, Page 3 Line 15
2			
3	Projected (Over)/Under Recovered Balance At April 1, 2021	\$ 20,588,760	Settlement Schedule 3 Page 2, Column 7 Line 15
4	Projected Retail UNC Revenue - Apr. & May 2021	\$ (499,465)	Settlement Schedule 3 Page 2, Column 7 Line 16
5	Net Projected (Over)/Under Recovered Balance	\$ 20,089,295	= Line 3 + Line 4
6			
7	Total Uncollectible Recovery	\$ 29,453,846	Line 1 + Line 5
8			
9	Deferred amount to be recovered in a future filing	\$ (15,735,101)	
10			
11	Final Uncollectible Recovery	\$ 13,718,745	Line 7 + Line 9
12			
13	Projected Delivered Sales June 2021 - May 2022	8,321,839,354	
14	Uncollectible Rate (\$/kWh)	\$ 0.001649	
15	BPU/RPA Revenue Assessment	\$ 0.000004	
16	Final Uncollectible Rate (\$/kWh)	\$ 0.001653	
17	Final Uncollectible Rate including SUT (\$/kWh)	\$ 0.001762	

Atlantic City Electric Company

Uncollectible Charge Rate Design

Rates Effective For Period June 2021 - May 2022

Updated for Actuals through March 2021

Forecasted Uncollectible Expense

Line No.	Month	Uncollectible Expense
1		
2	Apr-21	\$ (1,786,469)
3	May-21	\$ (739,660)
4	Jun-21	\$ (1,641,294)
5	Jul-21	\$ 10,988,147
6	Aug-21	\$ 3,592,301
7	Sep-21	\$ 1,113,425
8	Oct-21	\$ (744,081)
9	Nov-21	\$ 2,108,366
10	Dec-21	\$ 1,810,300
11	Jan-22	\$ (66,358)
12	Feb-22	\$ (2,699,101)
13	Mar-22	\$ (2,571,027)
14		
15	Total Period	<u><u>\$9,364,551</u></u>

Settlement Schedule 4

Rate Class	Annualized Sales @ Customer (kWh)	Present Rates (Effective Date: September 1, 2020)			Proposed Rates			Overall Rate Change	Annualized Overall Revenue Change			
		NGC	Clean Energy	Uncollectible	NGC	Clean Energy	Uncollectible		NGC	Clean Energy	Uncollectible	
RS	3,872,080,638	\$ 0.014046	\$ 0.003444	\$ 0.000480	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.001985	\$ 1,835,366	\$ 886,706	\$ 4,964,007	\$ 7,686,080
MGS Secondary	1,189,523,609	\$ 0.014046	\$ 0.003444	\$ 0.000480	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.001985	\$ 563,834	\$ 272,401	\$ 1,524,969	\$ 2,361,204
MGS Primary	31,647,294	\$ 0.013678	\$ 0.003444	\$ 0.000480	\$ 0.014140	\$ 0.003673	\$ 0.001762	\$ 0.001973	\$ 14,621	\$ 7,247	\$ 40,572	\$ 62,440
AGS Secondary	1,642,429,886	\$ 0.014046	\$ 0.003444	\$ 0.000480	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.001985	\$ 778,512	\$ 376,116	\$ 2,105,595	\$ 3,260,223
AGS Primary	533,918,087	\$ 0.013678	\$ 0.003444	\$ 0.000480	\$ 0.014140	\$ 0.003673	\$ 0.001762	\$ 0.001973	\$ 246,670	\$ 122,267	\$ 684,483	\$ 1,053,420
TGS	967,494,791	\$ 0.013390	\$ 0.003444	\$ 0.000480	\$ 0.013842	\$ 0.003673	\$ 0.001762	\$ 0.001963	\$ 437,308	\$ 221,556	\$ 1,240,328	\$ 1,899,192
SPL/CSL	70,503,585	\$ 0.014046	\$ 0.003444	\$ 0.000480	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.001985	\$ 33,419	\$ 16,145	\$ 90,386	\$ 139,950
DDC	14,241,464	\$ 0.014046	\$ 0.003444	\$ 0.000480	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.001985	\$ 6,750	\$ 3,261	\$ 18,258	\$ 28,269
Total	8,321,839,354								\$ 3,916,480	\$ 1,905,701	\$ 10,668,598	\$ 16,490,779

**ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
8 WINTER MONTHS (October Through May)**

**Present Rates
vs.
Proposed Rates with NGC/SBC Adjustments Effective June 01, 2021**

Monthly Usage (kWh)	Present Delivery	Present Supply+T	Present Total	New Delivery	New Supply+T	New Total	Difference		Total Difference	(%)
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Delivery (\$)	Supply+T (\$)	(\$)	
0	\$ 5.77	\$ -	\$ 5.77	\$ 5.77	\$ -	\$ 5.77	\$ -	\$ -	\$ -	0.00%
25	\$ 7.91	\$ 2.65	\$ 10.56	\$ 7.96	\$ 2.65	\$ 10.61	\$ 0.05	\$ -	\$ 0.05	0.47%
50	\$ 10.05	\$ 5.30	\$ 15.35	\$ 10.15	\$ 5.30	\$ 15.45	\$ 0.10	\$ -	\$ 0.10	0.65%
75	\$ 12.19	\$ 7.95	\$ 20.14	\$ 12.34	\$ 7.95	\$ 20.29	\$ 0.15	\$ -	\$ 0.15	0.74%
100	\$ 14.33	\$ 10.60	\$ 24.93	\$ 14.53	\$ 10.60	\$ 25.13	\$ 0.20	\$ -	\$ 0.20	0.80%
150	\$ 18.61	\$ 15.90	\$ 34.51	\$ 18.91	\$ 15.90	\$ 34.81	\$ 0.30	\$ -	\$ 0.30	0.87%
200	\$ 22.89	\$ 21.20	\$ 44.09	\$ 23.29	\$ 21.20	\$ 44.49	\$ 0.40	\$ -	\$ 0.40	0.91%
250	\$ 27.17	\$ 26.50	\$ 53.67	\$ 27.67	\$ 26.50	\$ 54.17	\$ 0.50	\$ -	\$ 0.50	0.93%
300	\$ 31.45	\$ 31.80	\$ 63.25	\$ 32.05	\$ 31.80	\$ 63.85	\$ 0.60	\$ -	\$ 0.60	0.95%
350	\$ 35.73	\$ 37.10	\$ 72.83	\$ 36.43	\$ 37.10	\$ 73.53	\$ 0.70	\$ -	\$ 0.70	0.96%
400	\$ 40.01	\$ 42.40	\$ 82.41	\$ 40.81	\$ 42.40	\$ 83.21	\$ 0.80	\$ -	\$ 0.80	0.97%
450	\$ 44.29	\$ 47.70	\$ 91.99	\$ 45.19	\$ 47.70	\$ 92.89	\$ 0.90	\$ -	\$ 0.90	0.98%
500	\$ 48.57	\$ 53.00	\$ 101.57	\$ 49.57	\$ 53.00	\$ 102.57	\$ 1.00	\$ -	\$ 1.00	0.98%
600	\$ 57.12	\$ 63.60	\$ 120.72	\$ 58.33	\$ 63.60	\$ 121.93	\$ 1.21	\$ -	\$ 1.21	1.00%
679	\$ 63.89	\$ 71.98	\$ 135.87	\$ 65.25	\$ 71.98	\$ 137.23	\$ 1.36	\$ -	\$ 1.36	1.00%
700	\$ 65.68	\$ 74.20	\$ 139.88	\$ 67.09	\$ 74.20	\$ 141.29	\$ 1.41	\$ -	\$ 1.41	1.01%
750	\$ 69.96	\$ 79.50	\$ 149.46	\$ 71.47	\$ 79.50	\$ 150.97	\$ 1.51	\$ -	\$ 1.51	1.01%
800	\$ 74.24	\$ 84.80	\$ 159.04	\$ 75.85	\$ 84.80	\$ 160.65	\$ 1.61	\$ -	\$ 1.61	1.01%
900	\$ 82.80	\$ 95.40	\$ 178.20	\$ 84.61	\$ 95.40	\$ 180.01	\$ 1.81	\$ -	\$ 1.81	1.02%
1000	\$ 91.36	\$ 106.01	\$ 197.37	\$ 93.37	\$ 106.01	\$ 199.38	\$ 2.01	\$ -	\$ 2.01	1.02%
1200	\$ 108.48	\$ 127.21	\$ 235.69	\$ 110.89	\$ 127.21	\$ 238.10	\$ 2.41	\$ -	\$ 2.41	1.02%
1500	\$ 134.16	\$ 159.01	\$ 293.17	\$ 137.17	\$ 159.01	\$ 296.18	\$ 3.01	\$ -	\$ 3.01	1.03%
2000	\$ 176.95	\$ 212.01	\$ 388.96	\$ 180.97	\$ 212.01	\$ 392.98	\$ 4.02	\$ -	\$ 4.02	1.03%
2500	\$ 219.75	\$ 265.01	\$ 484.76	\$ 224.77	\$ 265.01	\$ 489.78	\$ 5.02	\$ -	\$ 5.02	1.04%
3000	\$ 262.54	\$ 318.02	\$ 580.56	\$ 268.56	\$ 318.02	\$ 586.58	\$ 6.02	\$ -	\$ 6.02	1.04%
3500	\$ 305.34	\$ 371.02	\$ 676.36	\$ 312.36	\$ 371.02	\$ 683.38	\$ 7.02	\$ -	\$ 7.02	1.04%
4000	\$ 348.13	\$ 424.02	\$ 772.15	\$ 356.16	\$ 424.02	\$ 780.18	\$ 8.03	\$ -	\$ 8.03	1.04%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
4 SUMMER MONTHS (June Through September)

Present Rates
vs.
Proposed Rates with NGC/SBC Adjustments Effective June 01, 2021

Monthly Usage (kWh)	Present Delivery	Present Supply+T	Present Total	New Delivery	New Supply+T	New Total	Difference		Total Difference
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Delivery (\$)	Supply+T (\$)	(\$) (%)
0	\$ 5.77	\$ -	\$ 5.77	\$ 5.77	\$ -	\$ 5.77	\$ -	\$ -	\$ - 0.00%
25	\$ 8.05	\$ 2.38	\$ 10.43	\$ 8.10	\$ 2.38	\$ 10.48	\$ 0.05	\$ -	\$ 0.05 0.48%
50	\$ 10.33	\$ 4.76	\$ 15.09	\$ 10.43	\$ 4.76	\$ 15.19	\$ 0.10	\$ -	\$ 0.10 0.66%
75	\$ 12.61	\$ 7.13	\$ 19.74	\$ 12.76	\$ 7.13	\$ 19.89	\$ 0.15	\$ -	\$ 0.15 0.76%
100	\$ 14.88	\$ 9.51	\$ 24.39	\$ 15.09	\$ 9.51	\$ 24.60	\$ 0.21	\$ -	\$ 0.21 0.86%
150	\$ 19.44	\$ 14.27	\$ 33.71	\$ 19.74	\$ 14.27	\$ 34.01	\$ 0.30	\$ -	\$ 0.30 0.89%
200	\$ 24.00	\$ 19.02	\$ 43.02	\$ 24.40	\$ 19.02	\$ 43.42	\$ 0.40	\$ -	\$ 0.40 0.93%
250	\$ 28.56	\$ 23.78	\$ 52.34	\$ 29.06	\$ 23.78	\$ 52.84	\$ 0.50	\$ -	\$ 0.50 0.96%
300	\$ 33.11	\$ 28.53	\$ 61.64	\$ 33.72	\$ 28.53	\$ 62.25	\$ 0.61	\$ -	\$ 0.61 0.99%
350	\$ 37.67	\$ 33.29	\$ 70.96	\$ 38.37	\$ 33.29	\$ 71.66	\$ 0.70	\$ -	\$ 0.70 0.99%
400	\$ 42.23	\$ 38.04	\$ 80.27	\$ 43.03	\$ 38.04	\$ 81.07	\$ 0.80	\$ -	\$ 0.80 1.00%
450	\$ 46.78	\$ 42.80	\$ 89.58	\$ 47.69	\$ 42.80	\$ 90.49	\$ 0.91	\$ -	\$ 0.91 1.02%
500	\$ 51.34	\$ 47.55	\$ 98.89	\$ 52.35	\$ 47.55	\$ 99.90	\$ 1.01	\$ -	\$ 1.01 1.02%
600	\$ 60.46	\$ 57.07	\$ 117.53	\$ 61.66	\$ 57.07	\$ 118.73	\$ 1.20	\$ -	\$ 1.20 1.02%
679	\$ 67.66	\$ 64.58	\$ 132.24	\$ 69.02	\$ 64.58	\$ 133.60	\$ 1.36	\$ -	\$ 1.36 1.03%
700	\$ 69.57	\$ 66.58	\$ 136.15	\$ 70.98	\$ 66.58	\$ 137.56	\$ 1.41	\$ -	\$ 1.41 1.04%
750	\$ 74.13	\$ 71.33	\$ 145.46	\$ 75.63	\$ 71.33	\$ 146.96	\$ 1.50	\$ -	\$ 1.50 1.03%
800	\$ 79.22	\$ 76.59	\$ 155.81	\$ 80.83	\$ 76.59	\$ 157.42	\$ 1.61	\$ -	\$ 1.61 1.03%
900	\$ 89.41	\$ 87.11	\$ 176.52	\$ 91.22	\$ 87.11	\$ 178.33	\$ 1.81	\$ -	\$ 1.81 1.03%
1000	\$ 99.60	\$ 97.62	\$ 197.22	\$ 101.61	\$ 97.62	\$ 199.23	\$ 2.01	\$ -	\$ 2.01 1.02%
1200	\$ 119.98	\$ 118.66	\$ 238.64	\$ 122.38	\$ 118.66	\$ 241.04	\$ 2.40	\$ -	\$ 2.40 1.01%
1500	\$ 150.54	\$ 150.21	\$ 300.75	\$ 153.55	\$ 150.21	\$ 303.76	\$ 3.01	\$ -	\$ 3.01 1.00%
2000	\$ 201.49	\$ 202.79	\$ 404.28	\$ 205.50	\$ 202.79	\$ 408.29	\$ 4.01	\$ -	\$ 4.01 0.99%
2500	\$ 252.43	\$ 255.38	\$ 507.81	\$ 257.45	\$ 255.38	\$ 512.83	\$ 5.02	\$ -	\$ 5.02 0.99%
3000	\$ 303.37	\$ 307.96	\$ 611.33	\$ 309.39	\$ 307.96	\$ 617.35	\$ 6.02	\$ -	\$ 6.02 0.98%
3500	\$ 354.32	\$ 360.55	\$ 714.87	\$ 361.34	\$ 360.55	\$ 721.89	\$ 7.02	\$ -	\$ 7.02 0.98%
4000	\$ 405.26	\$ 413.13	\$ 818.39	\$ 413.29	\$ 413.13	\$ 826.42	\$ 8.03	\$ -	\$ 8.03 0.98%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
Annual Average

Present Rates
vs.
Proposed Rates with NGC/SBC Adjustments Effective June 01, 2021

Monthly Usage (kWh)	Present	Present	Present	New	New	New	Difference		Total	
	Delivery (\$)	Supply+T (\$)	Total (\$)	Delivery (\$)	Supply+T (\$)	Total (\$)	Delivery (\$)	Supply+T (\$)	Difference (\$)	Difference (%)
0	\$ 5.77	\$ -	\$ 5.77	\$ 5.77	\$ -	\$ 5.77	\$ -	\$ -	\$ -	0.00%
25	\$ 7.96	\$ 2.56	\$ 10.52	\$ 8.01	\$ 2.56	\$ 10.57	\$ 0.05	\$ -	\$ 0.05	0.48%
50	\$ 10.14	\$ 5.12	\$ 15.26	\$ 10.24	\$ 5.12	\$ 15.36	\$ 0.10	\$ -	\$ 0.10	0.66%
75	\$ 12.33	\$ 7.68	\$ 20.01	\$ 12.48	\$ 7.68	\$ 20.16	\$ 0.15	\$ -	\$ 0.15	0.75%
100	\$ 14.51	\$ 10.24	\$ 24.75	\$ 14.72	\$ 10.24	\$ 24.96	\$ 0.21	\$ -	\$ 0.21	0.85%
150	\$ 18.89	\$ 15.36	\$ 34.25	\$ 19.19	\$ 15.36	\$ 34.55	\$ 0.30	\$ -	\$ 0.30	0.88%
200	\$ 23.26	\$ 20.47	\$ 43.73	\$ 23.66	\$ 20.47	\$ 44.13	\$ 0.40	\$ -	\$ 0.40	0.91%
250	\$ 27.63	\$ 25.59	\$ 53.22	\$ 28.13	\$ 25.59	\$ 53.72	\$ 0.50	\$ -	\$ 0.50	0.94%
300	\$ 32.00	\$ 30.71	\$ 62.71	\$ 32.61	\$ 30.71	\$ 63.32	\$ 0.61	\$ -	\$ 0.61	0.97%
350	\$ 36.38	\$ 35.83	\$ 72.21	\$ 37.08	\$ 35.83	\$ 72.91	\$ 0.70	\$ -	\$ 0.70	0.97%
400	\$ 40.75	\$ 40.95	\$ 81.70	\$ 41.55	\$ 40.95	\$ 82.50	\$ 0.80	\$ -	\$ 0.80	0.98%
450	\$ 45.12	\$ 46.07	\$ 91.19	\$ 46.02	\$ 46.07	\$ 92.09	\$ 0.90	\$ -	\$ 0.90	0.99%
500	\$ 49.49	\$ 51.18	\$ 100.67	\$ 50.50	\$ 51.18	\$ 101.68	\$ 1.01	\$ -	\$ 1.01	1.00%
600	\$ 58.23	\$ 61.42	\$ 119.65	\$ 59.44	\$ 61.42	\$ 120.86	\$ 1.21	\$ -	\$ 1.21	1.01%
679	\$ 65.15	\$ 69.51	\$ 134.66	\$ 66.51	\$ 69.51	\$ 136.02	\$ 1.36	\$ -	\$ 1.36	1.01%
700	\$ 66.98	\$ 71.66	\$ 138.64	\$ 68.39	\$ 71.66	\$ 140.05	\$ 1.41	\$ -	\$ 1.41	1.02%
750	\$ 71.35	\$ 76.78	\$ 148.13	\$ 72.86	\$ 76.78	\$ 149.64	\$ 1.51	\$ -	\$ 1.51	1.02%
800	\$ 75.90	\$ 82.06	\$ 157.96	\$ 77.51	\$ 82.06	\$ 159.57	\$ 1.61	\$ -	\$ 1.61	1.02%
900	\$ 85.00	\$ 92.64	\$ 177.64	\$ 86.81	\$ 92.64	\$ 179.45	\$ 1.81	\$ -	\$ 1.81	1.02%
1000	\$ 94.11	\$ 103.21	\$ 197.32	\$ 96.12	\$ 103.21	\$ 199.33	\$ 2.01	\$ -	\$ 2.01	1.02%
1200	\$ 112.31	\$ 124.36	\$ 236.67	\$ 114.72	\$ 124.36	\$ 239.08	\$ 2.41	\$ -	\$ 2.41	1.02%
1500	\$ 139.62	\$ 156.08	\$ 295.70	\$ 142.63	\$ 156.08	\$ 298.71	\$ 3.01	\$ -	\$ 3.01	1.02%
2000	\$ 185.13	\$ 208.94	\$ 394.07	\$ 189.15	\$ 208.94	\$ 398.09	\$ 4.02	\$ -	\$ 4.02	1.02%
2500	\$ 230.64	\$ 261.80	\$ 492.44	\$ 235.66	\$ 261.80	\$ 497.46	\$ 5.02	\$ -	\$ 5.02	1.02%
3000	\$ 276.15	\$ 314.67	\$ 590.82	\$ 282.17	\$ 314.67	\$ 596.84	\$ 6.02	\$ -	\$ 6.02	1.02%
3500	\$ 321.67	\$ 367.53	\$ 689.20	\$ 328.69	\$ 367.53	\$ 696.22	\$ 7.02	\$ -	\$ 7.02	1.02%
4000	\$ 367.17	\$ 420.39	\$ 787.56	\$ 375.20	\$ 420.39	\$ 795.59	\$ 8.03	\$ -	\$ 8.03	1.02%

Settlement

Schedule 5

Tariff Pages

Clean

ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV Revised Sheet Replaces Revised Sheet No. 57

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

Applicable to 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 Company's purchase power contracts with non-utility generators, which are intended 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	\$ 0.014520
MGS Secondary and MGS-SEVC	\$ 0.014520
MGS Primary	\$ 0.014140
AGS Secondary	\$ 0.014520
AGS Primary	\$ 0.014140
TGS	\$ 0.013842
SPL/CSL	\$ 0.014520
DDC	\$ 0.014520

Date of Issue:

Effective Date:

Issued by:

ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV Revised Sheet Replaces Revised Sheet No. 58

RIDER (SBC)
Societal Benefits Charge (SBC)

Applicable to customers receiving service under Electric Rate Schedules RS, MGS, AGS, TS, TGS, DDC, SPL, and CSL and any customer taking service under special contractual arrangements.

In accordance with the New Jersey Electric Discount and Energy Competition Act, Societal Benefits Charges include:

- Clean Energy Program Costs
- Uncollectible Accounts
- Universal Service Fund
- Lifeline

The Company's Societal Benefits Charges to be effective on and after the date indicated below are as follows:

Clean Energy Program	\$0.003673 per kWh
Uncollectible Accounts	\$0.001762 per kWh
Universal Service Fund	\$0.001493 per kWh
Lifeline	\$0.000759 per kWh

Date of Issue:

Effective Date:

Issued by:

Tariff Pages Redlined

ATLANTIC CITY ELECTRIC COMPANY

BPU NJ No. 11 Electric Service - Section IV ~~Twenty-Fourth~~ Revised Sheet Replaces ~~Twenty-Third~~ Revised Sheet No. 57

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

Applicable to 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 Company's purchase power contracts with non-utility generators, which are intended 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>St. Lawrence NYPA Credit (effective through May 31, 2021) RS*</u>	<u>Total NGC Non-Utility Generation above market costs</u>	<u>Total NGC</u>
RS	(\$0.000022)	\$ 0.014046014520	\$ 0.014024
MGS Secondary and MGS-SEVC		\$ 0.014046014520	\$ 0.014046
MGS Primary		\$ 0.013678014140	\$ 0.013678
AGS Secondary		\$ 0.014046014520	\$ 0.014046
AGS Primary		\$ 0.013678014140	\$ 0.013678
TGS		\$ 0.013390013842	\$ 0.013390
SPL/CSL		\$ 0.014046014520	\$ 0.014046
DDC		\$ 0.014046014520	\$ 0.014046

~~*The St. Lawrence New York Power Authority (NYPA) Annual Benefit Allocation credit reflects the annual Economic Benefit Allocation for New Jersey's investor owned utilities to supply residential customers' load. The NYPA credit amount is adjusted annually, on June 1 of each year, to reflect the amount of the credit received.~~

Date of Issue: February 26, 2021

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~~**Issued by: David M. Velazquez, President and Chief Executive Officer – Atlantic City Electric Company
Filed pursuant to Board of Public Utilities of the State of New Jersey directives associated with the
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Issued by:**~~

ATLANTIC CITY ELECTRIC COMPANY

BPU NJ No. 11 Electric Service - Section IV ~~Thirty-Ninth~~ Revised Sheet Replaces ~~Thirty-Eighth~~ Revised Sheet No. 58

**RIDER (SBC)
Societal Benefits Charge (SBC)**

Applicable to customers receiving service under Electric Rate Schedules RS, MGS, AGS, TS, TGS, DDC, SPL, and CSL and any customer taking service under special contractual arrangements.

In accordance with the New Jersey Electric Discount and Energy Competition Act, Societal Benefits Charges include:

- Clean Energy Program Costs
- Uncollectible Accounts
- Universal Service Fund
- Lifeline

The Company's Societal Benefits Charges to be effective on and after the date indicated below are as follows:

Clean Energy Program	\$0. 003444 <u>003673</u> per kWh
Uncollectible Accounts	\$0. 000480 <u>001762</u> per kWh
Universal Service Fund	\$0.001493 per kWh
Lifeline	\$0.000759 per kWh

Date of Issue: ~~September 29, 2020~~

Effective Date: ~~October 1, 2020~~

~~Issued by: David M. Velazquez, President and Chief Executive Officer — Atlantic City Electric Company
Filed pursuant to Board of Public Utilities of the State of New Jersey directives associated with the
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Issued by: