



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1stFloor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF ATLANTIC CITY) ORDER APPROVING
ELECTRIC COMPANY TO RECONCILE AND UPDATE) STIPULATION FOR FINAL
THE LEVEL OF ITS NON-UTILITY GENERATION) RATES
CHARGE AND ITS SOCIETAL BENEFITS CHARGE)
(2022)) DOCKET NO. ER22020038

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Philip J. Passanante, Esq., Atlantic City Electric Company

BY THE BOARD:¹

On February 1, 2022, Atlantic City Electric Company (“ACE” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval of changes to its Non-Utility Generation Charge (“NGC”) and its Societal Benefits Charge (“SBC”) (“February 2022 Petition”). By this Decision and Order, the Board considers a Stipulation of Settlement (“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 Decision and Order 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 (“NNGC”), and the SBC as rate components.² The Restructuring Order also established the components of the SBC and the associated cost recovery mechanisms.

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

¹ Commissioners Guhl-Sadovy and Abdou abstained from voting on this matter.

² In re ACE - Rate Unbundling, Stranded Costs and Restructuring Filings, BPU Docket Nos. EO97070455, EO97070456, and EO97070457, Order dated March 30, 2001 (“Restructuring Order”).

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, 2003.³

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, 2005.⁴

FEBRUARY 2022 PETITION

On February 1, 2022, the Company filed the February 2022 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 2022 Petition, the projected deferred balances were based upon actual costs and revenues through December 31, 2021, and projected data for the period of January 1, 2022 through March 31, 2023. 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, 2022 ("March 2022 Update").

NGC

With respect to the NGC, the rates proposed in the March 2022 Update were designed to recover forecasted above-market NUG costs for the period April 1, 2022 through March 31, 2023 and return the projected over-recovered balance of \$22.093 million (inclusive of the projected NGC revenues through May 31, 2022). As a result, the NGC revenue requirement was approximately \$51.233 million less than what was being recovered in rates at that time.

SBC (UNC AND CEP)

According to the March 2022 Update, the rates proposed for the UNC component of the SBC were designed to recover a projected uncollectible expense of approximately \$4.604 million for the period April 1, 2022 through March 31, 2023. Additionally, the proposed rate would recover from customers the net projected under-recovered balance of \$34.181 million as of March 31, 2022 (inclusive of the projected UNC revenues through May 31, 2022).

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, BPU Docket No. ER02080510, Order dated July 8, 2004.

⁴ 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.

The total uncollectible recovery for the period was \$13.719 million, which represented a decrease of approximately \$0.428 million over what was being recovered in rates at that time.

The rates proposed for the CEP component of the SBC were designed to recover approximately \$26.047 million for the period April 1, 2022 through March 31, 2023. ACE based its projections on the funding levels approved by the Board in its Order dated June 24, 2021 in Docket No. QO21040721.⁵ The Company represented that the average monthly expenditures from the fiscal year 2022 projected funding levels, as found in the CEP Funding Order, were used to develop the monthly expenditures for the periods July 2022 to March 2023. In addition, the proposed rate would recover from customers a total projected under-recovery of approximately \$1.961 million as of March 31, 2022, and projected revenues of \$3.811 million for April and May 2022. The total projected CEP recovery for the period of \$26.047 million would result in a decrease of approximately \$3.616 million from what was being recovered in rates at that time.

According to the March 2022 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 decrease of approximately \$55.277 million.

After notice, virtual public hearings were held on February 28, 2022 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.

By Order dated May 18, 2022, the Board approved a stipulation for provisional rates (“2022 Provisional Rates Stipulation”) executed by the Parties.⁷ The May 2022 Order authorized ACE to implement the rates in their March 2022 Update, with the exception of the NGC. As agreed to in the 2022 Provisional Rates Stipulation, the May 2022 Order authorized the Company to defer \$10.559 million of the overall NGC over-recovery and apply it as a credit to the NGC component in the Company’s 2023 SBC/NGC filing, thereby increasing the total NGC costs from \$67.625 million to \$78.184 million. As a result of the May 2022 Order, an average residential customer using 680 kWh per month would see a decrease in their monthly bill of approximately \$3.52, or 2.46%.

STIPULATION

Following discovery, the Parties discussed the issues in this matter. As a result, the Parties have now executed the Stipulation, which provides for the following:⁸

1. The Parties agree that the provisional rates approved by the May 2022 Order should be approved by the Board on a final basis. On February 1, 2023, the Company filed the February 2022 Petition with actual revenues and expenses through December 31, 2022, and estimates thereafter, with a proposed effective date of June 1, 2023. The

⁵ In re the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for Fiscal Year 2022 Clean Energy Program, BPU Docket No. QO21040721, Order dated June 24, 2021 (“CEP Funding Order”).

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

⁷ In re the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its Non-Utility Generation Charge and Its Societal Benefits Charge (2022), Order Approving Provisional Rates, BPU Docket No. ER22020038, Order dated May 18, 2022 (“May 2022 Order”).

⁸ 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.

February 2022 Petition also included information from the restructuring of the Company's contracts with Chambers and Logan as provided for in the Restructuring Order and as described in the Stipulation. Staff and Rate Counsel each reserve the right to review the then-most current NGC and SBC revenues and underlying costs for reasonableness and prudence. Exhibit B, attached to the Stipulation, includes Settlement Schedules 1 through 4 as more fully described in the 2022 Provisional Rates Stipulation. Exhibit C, attached to the Stipulation, contains the proposed tariff pages for both the Rider SBC and Rider NGC.

2. Staff and Rate Counsel each reserve the right to conduct a prudence review of the 2023 SBC/NGC Petition, including discovery and any evidentiary hearings, if necessary.
3. For the UNC cost component of ACE's SBC/NGC rates set forth in this SBC/NGC proceeding, ACE may recover the average of its five (5) most recent pre-pandemic years of UNC expense, in the amount of \$13.719 million, in accordance with the May 2022 Order.
4. Rate recovery of deferred COVID-19-related UNC expenses, including any prudency determinations and the appropriate period of recovery for the deferred UNC amount of the regulatory asset and any associated savings, may be addressed in the COVID-19 regulatory asset filing. Alternatively, ACE may petition the Board to determine rate recovery of deferred COVID-19-related UNC expenses as part of the Company's 2023 NGC and SBC reconciliation petition which was filed on or about February 1, 2023 in BPU Docket No. ER23020057. The Parties reserve all rights to take any position in subsequent matters regarding the recovery of deferred COVID-19 UNC expenses.
5. Nothing in the Stipulation shall preclude or prejudice any Party from arguing that the deferred amount of ACE's UNC expense should be increased or decreased due to funds received from any federal, state, or other program; findings in the COVID-19 Proceeding; or by the May 2022 Order.
6. Nothing contained or expressed in the Stipulation shall be deemed to limit or restrict any Party from seeking reconsideration by the Board or seeking appellate review of any Order the Board may issue with respect to this matter or any Order that the Board may issue regarding the COVID-19 Proceeding.
8. The Company shall, within five (5) business days following receipt of a Board Order approving the Stipulation, or on such other time frame as shall be set forth in a Board Order, file with the Board's Secretary amended tariff sheets reflecting that the current "provisional" rates for the NGC and SBC have been made final. As provided in the May 2022 Order, the monthly impact of the rate adjustment for a typical residential customer using 680 kWh is a decrease of \$3.52 or 2.46 percent (Settlement Schedule 4, page 4 of 4). The Company affected this rate change as part of the 2022 Provisional Rates Stipulation and May 2022 Order. As a result of the Stipulation, customers will not experience further bill impacts related to the 2022 SBC/NGC Petition.
9. The Parties agree that the February 2022 Petition has a proposed effective date of June 1, 2023.

10. The Parties agree to meet and discuss the necessary and available information to allow Staff and Rate Counsel to evaluate the cost effectiveness of the NUG contract restructuring Order within 60 days of termination of the restructured payment schedule.

DISCUSSION AND FINDING

The Board carefully reviewed the record in this proceeding, including the February 2022 Petition, the May 2022 Order 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**, on a final basis, a CEP component of the SBC of \$0.003251 per kWh including SUT, a UNC component of the SBC of \$0.001712 per kWh including SUT, and NGC rates as set forth in Exhibit B of the Stipulation.

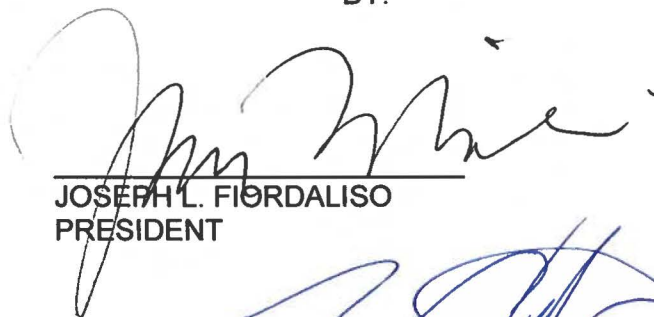
The Board **HEREBY ORDERS** ACE to file revised tariff sheets conforming to the terms of the Stipulation by June 21, 2023.

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 14, 2023.

DATED: June 7, 2023

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER
DR. ZENON CHRISTODOULOU
COMMISSIONER

ATTEST: 
SHERRIL L. GOLDEN
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 (2023)

DOCKET NO. ER22020038

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May 12, 2023

VIA ELECTRONIC MAIL
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Sherri L. Golden
Secretary of the Board
Board of Public Utilities
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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 (2022)
BPU Docket No. ER22020038

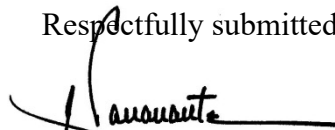
Dear Secretary Golden:

Enclosed herewith for filing is a fully executed Stipulation of Settlement Setting Final Rates 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, this document is being electronically filed with the Secretary of the Board, the Division of Law, 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 TO RECONCILE AND
UPDATE THE LEVEL OF ITS NON-
UTILITY GENERATION CHARGE AND
ITS SOCIETAL BENEFITS CHARGE
(2022)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
STIPULATION OF SETTLEMENT
SETTING FINAL RATES
BPU DOCKET NO. ER22020038**

TO THE HONORABLE BOARD OF PUBLIC UTILITIES

APPEARANCES:

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

T. David Wand, Esq., Managing Attorney-Electric, on behalf of the New Jersey Division of Rate Counsel, **Brian Weeks, Esq.**, Deputy Rate Counsel, and **Bethany Rocque-Romaine, Esq.**, Assistant Deputy Rate Counsel (**Brian O. Lipman, Esq.**, Director, Division of Rate Counsel)

Steven A. Chaplar, Deputy Attorney General (**Matthew J. Platkin**, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

This Stipulation of Settlement (“Stipulation”) is hereby made and executed by and among the Petitioner, Atlantic City Electric Company (“ACE” or “Company”), the Staff of the Board of Public Utilities (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”).

The Parties do hereby join in recommending that the New Jersey Board of Public Utilities (“Board”) issue an Order approving the Stipulation, based upon the following provisions:

PROCEDURAL HISTORY

On February 1, 2022, ACE filed a Verified Petition with the Board seeking approval to reconcile and update ACE’s Non-Utility Generation Charge (“NGC”), and Societal Benefits Charge (“SBC”) (“2022 SBC/NGC Petition”).

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 approved by the Board to recover costs related to the following: 1) Universal Service Fund and Lifeline social programs; 2) Clean Energy Programs ("CEP"); and 3) Uncollectible Accounts ("UNC").

ACE filed the 2022 SBC/NGC Petition to reconcile the levels of its NGC and two (2) components of its SBC for the period of April 1, 2021 through March 31, 2022, and reset the levels for the projected period of April 1, 2022 through March 31, 2023. The SBC components to be adjusted included the CEP rate and the UNC rate. In the 2022 SBC/NGC Petition, the Company provided projected deferred balances including actual costs and revenues through December 31, 2021.

On April 14, 2022, ACE updated its proposed adjustments to the NGC, CEP, and UNC components of the SBC based on actual data through March 31, 2022.

On May 11, 2022, based upon the actual data noted above, the Parties executed a Stipulation for Provisional Rates in this matter ("2022 Provisional Rates Stipulation"). By Order dated May 18, 2022, the Board approved the 2022 Provisional Rates Stipulation.¹ The May 2022 Order authorized ACE to commence recovery of its NGC costs and certain of its SBC costs on a provisional basis, effective on and after June 1, 2022, while the Parties continued to review the matter and during the pendency of the Board's COVID-19 Pandemic proceeding.² Due to the

¹ In re the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its Non-Utility Generation Charge and Its Societal Benefits Charge (2022), BPU Docket No. ER22020038, Order dated May 18, 2022 ("May 2022 Order").

² See In re the New Jersey Board of Public Utilities' Response to the Covid-19 Pandemic, BPU Docket No. AO20060471 ("COVID-19 Proceeding").

COVID-19 Pandemic and its impact on ACE's business and residential customers, and as directed by the May 2022 Order, a portion (i.e. \$25.066 million) of the UNC recovery is being "deferred to a future SBC/NGC Proceeding" with cost recovery and the amortization period "based upon the outcome of the Board's ongoing COVID-19 Proceeding."^{3,4} The May 2022 Order resulted in an overall revenue decrease in NGC and SBC rates of approximately \$43.978 million.⁵ Following the issuance of the May 2022 Order, the Parties continued to review the Company's 2022 SBC/NGC Petition.

Consistent with the provisions of the May 2022 Order the Board directed the Parties to convene discussions to determine the necessary and available information to allow Staff and Rate Counsel to evaluate the cost effectiveness of the NUG contract restructuring as approved in the Restructuring Order.⁶ The Parties met on September 13, 2022, in compliance with the Board's directive ("September 2022 Meeting"). Prior to the September 2022 Meeting, the Company provided the Parties with documentation detailing the capacity benefits to ratepayers associated with the NUG contract restructuring, attached hereto as **Exhibit A**. As part of the September 13,

³ See May 2022 Order at page 4, paragraph 6, and Provisional Rate Stipulation at page 8, paragraph 6.

⁴ The July 2, 2020 Board Order in the COVID-19 Proceeding that authorized regulated utilities to establish a regulatory asset for their prudently incurred incremental COVID-19 related expenses, including but not limited to Uncollectible expenses, directed that utilities may request potential rate recovery of their COVID-19 regulatory asset through a petition in the COVID-19 Proceeding or in a future base rate case. *Id.*, p. 4. ACE has advised the Board that it will not file for recovery of any incremental pandemic-related expenses in the COVID-19 Proceeding, but will apply a credit of \$0.853 million from the COVID-19 Proceeding toward its claimed Uncollectible expenses in its 2023 SBC filing, BPU Docket No. ER23020057. ACE also has advised the Board that it will not seek recovery of its incremental COVID-19 related expenses in its current base rate case, BPU Docket No. ER23020091.

⁵ The Company further agreed, as part of the 2022 Provisional Rates Stipulation and as approved by the May 2022 Order, to defer \$10.559 million of the 2022 NGC over recovery which will be applied as a credit to the NGC in the Company's 2023 NGC/SBC reconciliation filing.

⁶ In re the Petition of Atlantic City Electric Company for Approval of the Modification of the Power Purchase Agreements with Chambers Cogeneration Limited Partnership ("Chambers") and Logan Generating Company, L.P. ("Logan"), BPU Docket No. EM21121253, Board Order dated March 23, 2022 ("Restructuring Order").

2022 Meeting, the Company agreed to provide certain additional documentation in connection with ACE's 2023 SBC/NGC update and reconciliation filing, including: (1) the results and impact of the upcoming December 2022 Base Residual Capacity Auction for the PJM Year 2024/2025; (2) a comparison of the forward delivered coal prices as compared to the prices used as part of the ICF International ("ICF") model that supported the Restructuring Agreement; (3) a comparison of the PJM energy market prices as compared to the prices used as part of the ICF model; (4) the power output (in MWh), settled PJM Locational Marginal Prices (in \$/MWh), contract price (in \$/MWh), capacity price (in \$/MW-day) and fuel costs for the period from January 2022 through March 2022; (5) a description of the operational issues confronting the Logan and Chambers plants prior to the NUG contract restructuring; and (6) the most recent status of the Logan and Chambers plant operations and/or decommissioning, including the conversion of the Chambers plant to natural gas.

STIPULATED TERMS

Based upon their subsequent review, the Parties to this Stipulation HEREBY STIPULATE AND AGREE as follows:

1. The Parties agree that the provisional rates approved by the May 2022 Order should now be approved by the Board on a final basis. On February 1, 2023, the Company filed its petition to update the NGC and SBC ("2023 SBC/NGC Petition") with actual revenues and expenses through December 31, 2022, and estimates thereafter, with a proposed effective date of June 1, 2023. The 2023 SBC/NGC Petition also included information from the restructuring of the Company's contracts with Chambers and Logan as provided for in the Restructuring Order and as

described earlier in this Stipulation. Staff and Rate Counsel each reserve the right to review the then-most current NGC and SBC revenues and underlying costs for reasonableness and prudence.

Exhibit B, attached hereto, includes Settlement Schedules 1 through 4 as more fully described in the 2022 Provisional Rates Stipulation. **Exhibit C**, attached hereto, contains the proposed tariff pages for both the Rider SBC and Rider NGC.

2. Staff and Rate Counsel each reserve the right to conduct a prudence review of the 2023 SBC/NGC Petition, including discovery and any evidentiary hearings, if necessary.

3. For the UNC cost component of ACE's SBC/NGC rates set forth in this SBC/NGC proceeding, ACE may recover the average of its five (5) most recent pre-pandemic years of UNC expense, in the amount of \$13.719 million, in accordance with the May 2022 Order.

4. Rate recovery of deferred COVID-19-related UNC expenses, including any prudency determinations and the appropriate period of recovery for the deferred UNC amount of the regulatory asset and any associated savings, may be addressed in the COVID-19 regulatory asset filing. Alternatively, ACE may petition the Board to determine rate recovery of deferred COVID-19-related UNC expenses as part of the Company's 2023 NGC and SBC reconciliation petition which was filed on or about February 1, 2023 in BPU Docket No. ER23020057. The Parties reserve all rights to take any position in subsequent matters regarding the recovery of deferred COVID-19 UNC expenses.

5. Nothing in this Stipulation shall preclude or prejudice any Party from arguing that the deferred amount of ACE's UNC expense should be increased or decreased due to funds received from any federal, state, or other program; findings in the COVID-19 Proceeding; or by the May 2022 Order.

6. Nothing contained or expressed in this Stipulation shall be deemed to limit or restrict any Party from seeking reconsideration by the Board or seeking appellate review of any Order the Board may issue with respect to this matter or any Order that the Board may issue regarding the COVID-19 Proceeding.

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

8. The Company shall, within five (5) business days following receipt of a Board Order approving this Stipulation, or on such other time frame as shall be set forth in a Board Order, file with the Board's Secretary amended tariff sheets reflecting that the current "provisional" rates for the NGC and SBC have been made final. As provided in the May 2022 Order, the monthly impact of the rate adjustment for a typical residential customer using 680 kWh is a decrease of \$3.52 or 2.46 percent (Settlement Schedule 4, page 4 of 4). The Company affected this rate change as part of the 2022 Provisional Rates Stipulation and May 2022 Order. As a result of this Stipulation, customers will not experience further bill impacts related to the 2022 SBC/NGC Petition.

9. The Parties agree that the 2023 SBC/NGC Petition has a proposed effective date of June 1, 2023.

10. The Parties agree to meet and discuss the necessary and available information to allow Staff and Rate Counsel to evaluate the cost effectiveness of the NUG contract restructuring Order within sixty (60) days of termination of the restructured payment schedule.

11. 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 of the Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation. Notwithstanding anything to the contrary set forth herein, upon the occurrence of any of the following, this Stipulation shall terminate:

(a) the Board issues a decision disapproving the Stipulation; or

(b) 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. Such Party shall then 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.

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

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

Respectfully submitted,

ATLANTIC CITY ELECTRIC COMPANY

Dated: May 12, 2023

By: 

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An Attorney at Law of the
State of New Jersey

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MATTHEW J. PLATKIN
ATTORNEY GENERAL OF
NEW JERSEY

Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: May 12, 2023

By: 

Steven A. Chaplar
Deputy Attorney General

DIVISION OF RATE COUNSEL
BRIAN O. LIPMAN, DIRECTOR

Dated: May 12, 2023

By: 

Bethany Rocque-Romaine
Assistant Deputy Rate Counsel

Exhibit A

New Jersey Board of Public Utilities Directive

*“Accordingly, the Board **HEREBY DIRECTS** ACE to collaborate with Board Staff and Rate Counsel within the Company’s current Non-Utility Generation Charge (“NGC”) proceeding (Docket No. ER22020038) in developing information to be filed in future NGC matters that will assist Board Staff and Rate Counsel in evaluating the cost effectiveness of this transaction.”*

Background

Results of the 2023/2024 PJM Base Residual Capacity Auction (“BRA”)

PJM conducted the 2023/2024 delivery year BRA in June 2022. The actual capacity price for the EMAAC zone settled at \$49.49 MW/day. In the Starwood Settlement Agreement (“SSA”), ACE, relying on a forecast prepared by ICF, projected the capacity price for the 2023/2024 delivery to be \$113.05 MW/day. This amount was incorporated in the final SSA. With the actual capacity price settling significantly below that which was forecasted and included in the SSA, clearly demonstrates that the SSA was a beneficial deal for ACE ratepayers. In other words, the SSA secured \$113.05 MW/day for the ratepayers which is more than double the actual capacity clearing price of \$49.49. The table below provides the monthly breakout from June 2023 through May 2024.

Note: the capacity price for the delivery year 2022/2023 was known at the time the SSA was negotiated by the parties. Therefore, there is no impact on capacity through May 2023.

	Per Settlement Agreement			Revised - Results of 23/24 Capacity Auction		
Month	Capacity Cost	PJM Capacity Revenue	Customer Costs	Capacity Cost	PJM Capacity Revenue	Customer Costs
Jun-23	\$8,709,652	(\$1,526,175)	\$7,183,477	\$8,709,652	(\$668,115)	\$8,041,537
Jul-23	\$8,715,349	(\$1,577,048)	\$7,138,302	\$8,715,349	(\$690,386)	\$8,024,964
Aug-23	\$8,715,349	(\$1,577,048)	\$7,138,302	\$8,715,349	(\$690,386)	\$8,024,964
Sep-23	\$8,709,652	(\$1,526,175)	\$7,183,477	\$8,709,652	(\$668,115)	\$8,041,537
Oct-23	\$8,715,349	(\$1,577,048)	\$7,138,302	\$8,715,349	(\$690,386)	\$8,024,964
Nov-23	\$8,709,652	(\$1,526,175)	\$7,183,477	\$8,709,652	(\$668,115)	\$8,041,537
Dec-23	\$8,715,349	(\$1,577,048)	\$7,138,302	\$8,715,349	(\$690,386)	\$8,024,964
Jan-24	\$8,771,349	(\$1,577,048)	\$7,194,302	\$8,771,349	(\$690,386)	\$8,080,964
Feb-24	\$8,759,954	(\$1,475,303)	\$7,284,651	\$8,759,954	(\$645,845)	\$8,114,109
Mar-24	\$6,285,207	(\$1,132,309)	\$5,152,898	\$6,285,207	(\$495,692)	\$5,789,515
Apr-24	\$3,797,481	(\$725,781)	\$3,071,700	\$3,797,481	(\$317,726)	\$3,479,755
May-24	\$3,799,064	(\$749,974)	\$3,049,090	\$3,799,064	(\$328,317)	\$3,470,747
		Total	\$75,856,278		Total	\$85,159,555
						(\$9,303,277)

Cost Effectiveness of the Energy Component of the SSA

Under the current circumstance where the Chambers and Logan plants are no longer in service, providing a meaningful analysis of the cost-effectiveness of the energy component of the SSA is problematic. While power prices in PJM are higher in 2022, so too are the dispatch costs associated with operating coal-fired generation. Therefore, any perceived benefit associated with higher power prices will be mitigated by increased operating costs. As noted below, based upon the operational history for Chambers and Logan, any potential net revenues would be further mitigated by the uncertainty of the plants' operations.

In 2021 and early 2022, both Logan and Chambers struggled to maintain adequate coal inventories on site per PJM requirements, thus jeopardizing having sufficient fuel on-site to maintain full-load operations, and putting the plants in a position of incurring significant PJM penalties. The diminishing coal inventories at Chambers were due generally to coal shortages and unreliable rail service due to rail contract issues. The use of trucks became necessary to move coal to Chambers from Logan to continue operations at Chambers for the plant to remain in compliance with PJM requirements. Chambers was forced to incur outages during the Spring and Fall of 2021 due to significant maintenance issues involving equipment breakdowns affecting Chambers' forced outage rates. The bottom line is that it would be impossible to know how the units would have performed, if at all, in the summer of 2022. This uncertainty makes any meaningful analysis of the plants' energy production and potential revenues unreliable.

Analysis

Capacity

As noted above, ACE ratepayers secured more capacity revenue from Starwood through the SSA since the \$113.05 MW/day projection significantly exceeded the 2023/2024 actual capacity clearing price of \$49.49 which makes the SSA beneficial for ACE ratepayers. Please note, ACE ratepayers will not see actual dollars from PJM as ACE is only pointing out that due to the SSA, ratepayers were better off entering into this transaction with Starwood.

Energy Pricing

Also, as discussed above, the ability to adequately evaluate future net energy revenues that would have been produced by plants that are no longer in service is difficult at best and incorporating speculative assumptions in such an analysis will not produce any meaningful results. The units were experiencing escalating coal prices, serious coal supply and transportation issues and mechanical issues. To that end, it is impossible to speculate on energy output and the level of energy revenue these units would have produced if they remained operational. In other words, from an energy perspective, ACE cannot speculate if the SSA was a beneficial deal for ACE ratepayers. However, ACE believes ratepayers avoided significant operational costs and risks by entering into the SSA. Accordingly, ACE does not see any benefit in attempting to perform such an analysis.

Exhibit B

Atlantic City Electric Company
Net Non-Utility Generation Charge (NGC) Rate Design
Rates Effective For Period June 2022 - May 2023
Updated for Actuals through March 2022

Settlement Schedule 1
Page 1 of 2

Line	Table 1	Forecasted NUG Costs								
		Apr 22	May 22	Jun-22	Jul-22	Aug-22	Sep-22			
5	NGC Costs	\$ 12,767,235	\$ 12,999,799	\$ 12,928,079	\$ 13,483,785	\$ 13,297,069	\$ 12,963,022			
6	Market -Based Revenue	\$ 4,021,604	\$ 4,212,438	\$ 3,536,905	\$ 5,015,048	\$ 4,658,917	\$ 3,474,889			
7	Ratepayer Benefits	\$ 1,015,120	\$ 1,019,963	\$ 1,090,049	\$ 982,980	\$ 1,002,645	\$ 1,101,303			
8	Settlement Payments	\$ 7,730,511	\$ 7,767,399	\$ 8,301,125	\$ 7,485,757	\$ 7,635,507	\$ 8,386,830			
		Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-22 to Mar-23		
12	NGC Costs	\$ 9,538,619	\$ 12,714,661	\$ 13,776,203	\$ 16,203,397	\$ 14,076,211	\$ 15,125,168	\$ 159,873,248		
13	Market -Based Revenue	\$ 1,795,309	\$ 3,385,452	\$ 5,386,162	\$ 11,037,043	\$ 7,141,660	\$ 4,708,754	\$ 58,374,179		
14	Ratepayer Benefits	\$ 898,778	\$ 1,082,857	\$ 973,846	\$ 599,667	\$ 804,905	\$ 1,209,050	\$ 11,781,163		
15	Settlement Payments	\$ 6,844,533	\$ 8,246,353	\$ 7,416,195	\$ 4,566,687	\$ 6,129,646	\$ 9,207,364	\$ 89,717,906		
18	Projected Contract Cost			\$ 159,873,248	= Line 5 + Line 12					
19	Forecasted Market -Based Revenue			\$ 58,374,179	= Line 6 + Line 13					
20	Ratepayer Benefits			\$ 11,781,163	= Line 7 + Line 14					
21	Settlement Payments			\$ 89,717,906	= Line 18 - Line 19 - Line 20					
23	Projected (Over)/Under Recovered Balance At April 1, 2022			\$ (7,148,050)	Settlement Schedule 1 Page 2 Col 8 Line 15					
24	Projected Retail NGC Revenue - Apr. & May 2022			\$ (14,944,532)	Settlement Schedule 1 Page 2 Col 8 Line 16					
25	Projected Over Recovered Balance Deferred to 2023 Filing			\$ 10,559,026	Deferred Amount					
26	Net Projected (Over)/Under Recovered Balance			\$ (11,533,556)	= Line 23 + Line 24 + Line 25					
28	Total Period NGC Costs			\$ 78,184,350	Line 21 + Line 26					
	Table 2	NGC Rate with Voltage Level Loss Adjustment								
31	Voltage Level		Loss Factor							
32	Secondary (120 - 480 Volts)		1.07149							
33	Primary (4,000 & 12,000 Volts)		1.04345							
34	Subtransmission (23,000 & 34,500 Volts)		1.03160							
35	Transmission (69,000 Volts)		1.02150							
37		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
38				= Col. 1 x Col. 2	= Col. 3 Lines 40 - 47 / Col. 3 Line 48	= Col. 4 x Sum (Lines 21 + 26)	= Col. 5 / Col. 2	= Col. 6 x ((1/(1-0.00301))-1) BPU Assessment (\$/kWh)	= Col. 6 + Col. 7 Final NGC Rate (\$/kWh)	= Col. 8 x 1.06625 Final NGC Rate w/ SUT(\$/kWh)
39	Rate Class	Loss Factor	Sales @ Customer (kWh)	Sales @ Bulk System - Including Losses	Allocation Factor	Allocated Revenue Requirements	NGC Rate (\$/kWh)			
40	RS	1.07149	4,053,632,865	4,343,427,079	0.4764	\$ 37,245,647	\$ 0.009188	\$ 0.000028	\$ 0.009216	\$ 0.009827
41	MGS Secondary and MGS-SEVC	1.07149	1,286,085,535	1,378,027,790	0.1511	\$ 11,816,829	\$ 0.009188	\$ 0.000028	\$ 0.009216	\$ 0.009827
42	MGS Primary	1.04345	45,690,273	47,675,515	0.0052	\$ 408,826	\$ 0.008948	\$ 0.000027	\$ 0.008975	\$ 0.009569
43	AGS Secondary	1.07149	1,610,533,369	1,725,670,400	0.1893	\$ 14,797,926	\$ 0.009188	\$ 0.000028	\$ 0.009216	\$ 0.009827
44	AGS Primary	1.04345	550,675,023	574,601,853	0.0630	\$ 4,927,311	\$ 0.008948	\$ 0.000027	\$ 0.008975	\$ 0.009569
45	TGS	1.02150	935,780,777	955,900,063	0.1048	\$ 8,197,010	\$ 0.008760	\$ 0.000026	\$ 0.008786	\$ 0.009368
46	SPL/CSL	1.07149	71,439,227	76,546,417	0.0084	\$ 656,399	\$ 0.009188	\$ 0.000028	\$ 0.009216	\$ 0.009827
47	DDC	1.07149	14,627,511	15,673,232	0.0017	\$ 134,401	\$ 0.009188	\$ 0.000028	\$ 0.009216	\$ 0.009827
48	Total		8,568,464,579	9,117,522,348	1.0000	\$ 78,184,350				

Atlantic City Electric Company
NJ Clean Energy Program Funding Rate Design
Rates Effective For Period June 2022 - May 2023
Updated for Actuals through March 2022

Line No.	Table 1 Projected Comprehensive Resource Analysis Program Expenditures April 2022 - March 2023		
	Month	Projected Expenditure	
1			
2			
3			
4			
5	Apr-22	\$ 1,881,057	
6	May-22	\$ 1,860,371	
7	Jun-22	\$ 2,155,319	
8	Jul-22	\$ 2,993,989	<i>Projected based on NJBPU QO21040721 Order dated 6/24/2021 FY2022 Annual Expenditures</i>
9	Aug-22	\$ 3,181,963	
10	Sep-22	\$ 3,156,070	
11	Oct-22	\$ 1,786,503	
12	Nov-22	\$ 1,913,871	
13	Dec-22	\$ 2,040,983	
14	Jan-23	\$ 2,421,861	
15	Feb-23	\$ 2,267,455	
16	Mar-23	\$ 2,237,822	
17			
18	Total	<u>\$ 27,897,263</u>	

Line No.	Table 2 Clean Energy Program Funding Rate Design June 2022 - May 2023		
23	Total Period Expenditures	\$ 27,897,263	=Line 18
24	Projected (Over)/Under Recovered Balance At April 1, 2022	\$ 1,960,673	Settlement Schedule 2, Page 2, Col. 7 Row 15
25	Projected Retail CE Revenue - Apr. & May 2022	\$ (3,811,280)	Settlement Schedule 2, Page 2, Col. 7 Row 16
26	Total Clean Energy Program Recovery	<u>\$ 26,046,657</u>	=Line 23 + Line 24 + Line 25
27	Projected Delivered Sales June 2022 - May 2023	8,568,464,579	
28	Clean Energy Program Funding Rate (\$/kWh)	\$ 0.003040	
29	BPU Assessment	\$ 0.000009	
30	Rate without SUT (\$/kWh)	\$ 0.003049	
31	Rate Including SUT (\$/kWh)	\$ 0.003251	

Atlantic City Electric Company
Uncollectible Charge Rate Design
Rates Effective For Period June 2022 - May 2023
Updated for Actuals through March 2022

Line No.			
1	Projected Uncollectible Expense (April 2022 - March 2023)	\$ 4,604,083	Settlement Schedule 3, Page 3 Line 15
2			
3	Projected (Over)/Under Recovered Balance At April 1, 2022	\$ 36,009,734	Settlement Schedule 3 Page 2, Column 7 Line 15
4	Projected Retail UNC Revenue - Apr.& May 2022	\$ (1,828,594)	Settlement Schedule 3 Page 2, Column 7 Line 16
5	Net Projected (Over)/Under Recovered Balance	\$ 34,181,140	= Line 3 + Line 4
6			
7	Total Uncollectible Recovery	\$ 38,785,223	Line 1 + Line 5
8			
9	Deferred amounts to be recovered in a future filing	\$ (15,735,101)	2021 Settlement Deferred Amount
10		\$ (9,331,377)	2022 Proposed Deferred Amount
11			
12	Final Uncollectible Recovery	\$ 13,718,745	Line 7 + Line 9 + Line 10
13			
14	Projected Delivered Sales June 2022 - May 2023	8,568,464,579	
15	Uncollectible Rate (\$/kWh)	\$ 0.001601	
16	BPU/RPA Revenue Assessment	\$ 0.000005	
17	Final Uncollectible Rate (\$/kWh)	\$ 0.001606	
18	Final Uncollectible Rate including SUT (\$/kWh)	\$ 0.001712	

Atlantic City Electric Company
Uncollectible Charge Rate Design
Rates Effective For Period June 2022 - May 2023
Updated for Actuals through March 2022

Forecasted Uncollectible Expense

Line No.	Month	Uncollectible Expense
1		
2	Apr-22	\$ (630,648)
3	May-22	\$ 192,288
4	Jun-22	\$ (412,915)
5	Jul-22	\$ (1,122,133)
6	Aug-22	\$ 481,565
7	Sep-22	\$ 145,700
8	Oct-22	\$ 1,480,592
9	Nov-22	\$ (2,656,578)
10	Dec-22	\$ (651,808)
11	Jan-23	\$ 2,581,027
12	Feb-23	\$ 2,895,957
13	Mar-23	\$ 2,301,036
14		
15	Total Period	<u>\$4,604,083</u>

Atlantic City Electric Company
Estimated Impact of Proposed Rate Changes
Rates Effective For Period June 2022 - May 2023
Updated for Actuals through March 2022

Rate Class	Annualized Sales @ Customer (kWh)	Present Rates (Effective Date: June 15, 2021)			Proposed Rates			Overall Rate Change	Annualized Overall Revenue Change			
		NGC	Clean Energy	Uncollectible	NGC	Clean Energy	Uncollectible		NGC	Clean Energy	Uncollectible	
RS	4,053,632,865	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.009827	\$ 0.003251	\$ 0.001712	\$ (0.005165)	\$ (19,023,699)	\$ (1,710,633)	\$ (202,682)	\$ (20,937,014)
MGS Secondary	1,286,085,535	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.009827	\$ 0.003251	\$ 0.001712	\$ (0.005165)	\$ (6,035,599)	\$ (542,728)	\$ (64,304)	\$ (6,642,632)
MGS Primary	45,690,273	\$ 0.014140	\$ 0.003673	\$ 0.001762	\$ 0.009569	\$ 0.003251	\$ 0.001712	\$ (0.005043)	\$ (208,850)	\$ (19,281)	\$ (2,285)	\$ (230,416)
AGS Secondary	1,610,533,369	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.009827	\$ 0.003251	\$ 0.001712	\$ (0.005165)	\$ (7,558,233)	\$ (679,645)	\$ (80,527)	\$ (8,318,405)
AGS Primary	550,675,023	\$ 0.014140	\$ 0.003673	\$ 0.001762	\$ 0.009569	\$ 0.003251	\$ 0.001712	\$ (0.005043)	\$ (2,517,136)	\$ (232,385)	\$ (27,534)	\$ (2,777,054)
TGS	935,780,777	\$ 0.013842	\$ 0.003673	\$ 0.001762	\$ 0.009368	\$ 0.003251	\$ 0.001712	\$ (0.004946)	\$ (4,186,683)	\$ (394,899)	\$ (46,789)	\$ (4,628,372)
SPL/CSL	71,439,227	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.009827	\$ 0.003251	\$ 0.001712	\$ (0.005165)	\$ (335,264)	\$ (30,147)	\$ (3,572)	\$ (368,984)
DDC	14,627,511	\$ 0.014520	\$ 0.003673	\$ 0.001762	\$ 0.009827	\$ 0.003251	\$ 0.001712	\$ (0.005165)	\$ (68,647)	\$ (6,173)	\$ (731)	\$ (75,551)
Total	8,568,464,579								\$ (39,934,112)	\$ (3,615,892)	\$ (428,423)	\$ (43,978,427)

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

Settlement Schedule 4
Page 2 of 4

**Present Rates
vs.
Proposed Rates with NGC/SBC Adjustments Effective June 01, 2022**

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference		Total Difference (\$)	(%)
							Delivery (\$)	Supply+T (\$)		
0	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	0.00%
25	\$ 8.52	\$ 2.74	\$ 11.26	\$ 8.39	\$ 2.74	\$ 11.13	\$ (0.13)	\$ -	\$ (0.13)	-1.15%
50	\$ 10.80	\$ 5.49	\$ 16.29	\$ 10.54	\$ 5.49	\$ 16.03	\$ (0.26)	\$ -	\$ (0.26)	-1.60%
75	\$ 13.07	\$ 8.23	\$ 21.30	\$ 12.68	\$ 8.23	\$ 20.91	\$ (0.39)	\$ -	\$ (0.39)	-1.83%
100	\$ 15.35	\$ 10.98	\$ 26.33	\$ 14.83	\$ 10.98	\$ 25.81	\$ (0.52)	\$ -	\$ (0.52)	-1.97%
150	\$ 19.89	\$ 16.46	\$ 36.35	\$ 19.12	\$ 16.46	\$ 35.58	\$ (0.77)	\$ -	\$ (0.77)	-2.12%
200	\$ 24.44	\$ 21.95	\$ 46.39	\$ 23.41	\$ 21.95	\$ 45.36	\$ (1.03)	\$ -	\$ (1.03)	-2.22%
250	\$ 28.99	\$ 27.44	\$ 56.43	\$ 27.70	\$ 27.44	\$ 55.14	\$ (1.29)	\$ -	\$ (1.29)	-2.29%
300	\$ 33.54	\$ 32.93	\$ 66.47	\$ 31.99	\$ 32.93	\$ 64.92	\$ (1.55)	\$ -	\$ (1.55)	-2.33%
350	\$ 38.08	\$ 38.41	\$ 76.49	\$ 36.28	\$ 38.41	\$ 74.69	\$ (1.80)	\$ -	\$ (1.80)	-2.35%
400	\$ 42.63	\$ 43.90	\$ 86.53	\$ 40.57	\$ 43.90	\$ 84.47	\$ (2.06)	\$ -	\$ (2.06)	-2.38%
450	\$ 47.18	\$ 49.39	\$ 96.57	\$ 44.86	\$ 49.39	\$ 94.25	\$ (2.32)	\$ -	\$ (2.32)	-2.40%
500	\$ 51.73	\$ 54.88	\$ 106.61	\$ 49.15	\$ 54.88	\$ 104.03	\$ (2.58)	\$ -	\$ (2.58)	-2.42%
600	\$ 60.82	\$ 65.85	\$ 126.67	\$ 57.72	\$ 65.85	\$ 123.57	\$ (3.10)	\$ -	\$ (3.10)	-2.45%
680	\$ 68.10	\$ 74.63	\$ 142.73	\$ 64.59	\$ 74.63	\$ 139.22	\$ (3.51)	\$ -	\$ (3.51)	-2.46%
700	\$ 69.92	\$ 76.83	\$ 146.75	\$ 66.30	\$ 76.83	\$ 143.13	\$ (3.62)	\$ -	\$ (3.62)	-2.47%
750	\$ 74.47	\$ 82.32	\$ 156.79	\$ 70.59	\$ 82.32	\$ 152.91	\$ (3.88)	\$ -	\$ (3.88)	-2.47%
800	\$ 79.01	\$ 87.81	\$ 166.82	\$ 74.88	\$ 87.81	\$ 162.69	\$ (4.13)	\$ -	\$ (4.13)	-2.48%
900	\$ 88.11	\$ 98.78	\$ 186.89	\$ 83.46	\$ 98.78	\$ 182.24	\$ (4.65)	\$ -	\$ (4.65)	-2.49%
1000	\$ 97.21	\$ 109.76	\$ 206.97	\$ 92.04	\$ 109.76	\$ 201.80	\$ (5.17)	\$ -	\$ (5.17)	-2.50%
1200	\$ 115.40	\$ 131.71	\$ 247.11	\$ 109.20	\$ 131.71	\$ 240.91	\$ (6.20)	\$ -	\$ (6.20)	-2.51%
1500	\$ 142.68	\$ 164.64	\$ 307.32	\$ 134.94	\$ 164.64	\$ 299.58	\$ (7.74)	\$ -	\$ (7.74)	-2.52%
2000	\$ 188.16	\$ 219.51	\$ 407.67	\$ 177.83	\$ 219.51	\$ 397.34	\$ (10.33)	\$ -	\$ (10.33)	-2.53%
2500	\$ 233.64	\$ 274.39	\$ 508.03	\$ 220.73	\$ 274.39	\$ 495.12	\$ (12.91)	\$ -	\$ (12.91)	-2.54%
3000	\$ 279.12	\$ 329.27	\$ 608.39	\$ 263.62	\$ 329.27	\$ 592.89	\$ (15.50)	\$ -	\$ (15.50)	-2.55%
3500	\$ 324.59	\$ 384.15	\$ 708.74	\$ 306.52	\$ 384.15	\$ 690.67	\$ (18.07)	\$ -	\$ (18.07)	-2.55%
4000	\$ 370.07	\$ 439.03	\$ 809.10	\$ 349.41	\$ 439.03	\$ 788.44	\$ (20.66)	\$ -	\$ (20.66)	-2.55%

**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, 2022**

Monthly Usage (kWh)	Present Delivery	Present Supply+T	Present Total	New Delivery	New Supply+T	New Total	Difference		Total Difference	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Delivery (\$)	Supply+T (\$)	(%)	
0	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	0.00%
25	\$ 8.69	\$ 2.60	\$ 11.29	\$ 8.56	\$ 2.60	\$ 11.16	\$ (0.13)	\$ -	\$ (0.13)	-1.15%
50	\$ 11.13	\$ 5.19	\$ 16.32	\$ 10.87	\$ 5.19	\$ 16.06	\$ (0.26)	\$ -	\$ (0.26)	-1.59%
75	\$ 13.56	\$ 7.79	\$ 21.35	\$ 13.18	\$ 7.79	\$ 20.97	\$ (0.38)	\$ -	\$ (0.38)	-1.78%
100	\$ 16.00	\$ 10.38	\$ 26.38	\$ 15.48	\$ 10.38	\$ 25.86	\$ (0.52)	\$ -	\$ (0.52)	-1.97%
150	\$ 20.88	\$ 15.57	\$ 36.45	\$ 20.10	\$ 15.57	\$ 35.67	\$ (0.78)	\$ -	\$ (0.78)	-2.14%
200	\$ 25.75	\$ 20.77	\$ 46.52	\$ 24.72	\$ 20.77	\$ 45.49	\$ (1.03)	\$ -	\$ (1.03)	-2.21%
250	\$ 30.63	\$ 25.96	\$ 56.59	\$ 29.34	\$ 25.96	\$ 55.30	\$ (1.29)	\$ -	\$ (1.29)	-2.28%
300	\$ 35.50	\$ 31.15	\$ 66.65	\$ 33.95	\$ 31.15	\$ 65.10	\$ (1.55)	\$ -	\$ (1.55)	-2.33%
350	\$ 40.38	\$ 36.34	\$ 76.72	\$ 38.57	\$ 36.34	\$ 74.91	\$ (1.81)	\$ -	\$ (1.81)	-2.36%
400	\$ 45.25	\$ 41.53	\$ 86.78	\$ 43.19	\$ 41.53	\$ 84.72	\$ (2.06)	\$ -	\$ (2.06)	-2.37%
450	\$ 50.13	\$ 46.72	\$ 96.85	\$ 47.80	\$ 46.72	\$ 94.52	\$ (2.33)	\$ -	\$ (2.33)	-2.41%
500	\$ 55.00	\$ 51.92	\$ 106.92	\$ 52.42	\$ 51.92	\$ 104.34	\$ (2.58)	\$ -	\$ (2.58)	-2.41%
600	\$ 64.75	\$ 62.30	\$ 127.05	\$ 61.66	\$ 62.30	\$ 123.96	\$ (3.09)	\$ -	\$ (3.09)	-2.43%
680	\$ 72.56	\$ 70.61	\$ 143.17	\$ 69.04	\$ 70.61	\$ 139.65	\$ (3.52)	\$ -	\$ (3.52)	-2.46%
700	\$ 74.51	\$ 72.68	\$ 147.19	\$ 70.89	\$ 72.68	\$ 143.57	\$ (3.62)	\$ -	\$ (3.62)	-2.46%
750	\$ 79.38	\$ 77.87	\$ 157.25	\$ 75.51	\$ 77.87	\$ 153.38	\$ (3.87)	\$ -	\$ (3.87)	-2.46%
800	\$ 84.89	\$ 83.58	\$ 168.47	\$ 80.76	\$ 83.58	\$ 164.34	\$ (4.13)	\$ -	\$ (4.13)	-2.45%
900	\$ 95.91	\$ 94.99	\$ 190.90	\$ 91.26	\$ 94.99	\$ 186.25	\$ (4.65)	\$ -	\$ (4.65)	-2.44%
1000	\$ 106.93	\$ 106.40	\$ 213.33	\$ 101.76	\$ 106.40	\$ 208.16	\$ (5.17)	\$ -	\$ (5.17)	-2.42%
1200	\$ 128.97	\$ 129.22	\$ 258.19	\$ 122.77	\$ 129.22	\$ 251.99	\$ (6.20)	\$ -	\$ (6.20)	-2.40%
1500	\$ 162.02	\$ 163.45	\$ 325.47	\$ 154.28	\$ 163.45	\$ 317.73	\$ (7.74)	\$ -	\$ (7.74)	-2.38%
2000	\$ 217.12	\$ 220.50	\$ 437.62	\$ 206.79	\$ 220.50	\$ 427.29	\$ (10.33)	\$ -	\$ (10.33)	-2.36%
2500	\$ 272.22	\$ 277.56	\$ 549.78	\$ 259.30	\$ 277.56	\$ 536.86	\$ (12.92)	\$ -	\$ (12.92)	-2.35%
3000	\$ 327.31	\$ 334.61	\$ 661.92	\$ 311.82	\$ 334.61	\$ 646.43	\$ (15.49)	\$ -	\$ (15.49)	-2.34%
3500	\$ 382.41	\$ 391.66	\$ 774.07	\$ 364.33	\$ 391.66	\$ 755.99	\$ (18.08)	\$ -	\$ (18.08)	-2.34%
4000	\$ 437.50	\$ 448.71	\$ 886.21	\$ 416.84	\$ 448.71	\$ 865.55	\$ (20.66)	\$ -	\$ (20.66)	-2.33%

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

Present Rates
vs.
Proposed Rates with NGC/SBC Adjustments Effective June 01, 2022

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	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	0.00%
25	\$ 8.58	\$ 2.69	\$ 11.27	\$ 8.45	\$ 2.69	\$ 11.14	\$ (0.13)	\$ -	\$ (0.13)	-1.15%
50	\$ 10.91	\$ 5.39	\$ 16.30	\$ 10.65	\$ 5.39	\$ 16.04	\$ (0.26)	\$ -	\$ (0.26)	-1.60%
75	\$ 13.23	\$ 8.08	\$ 21.31	\$ 12.85	\$ 8.08	\$ 20.93	\$ (0.38)	\$ -	\$ (0.38)	-1.78%
100	\$ 15.57	\$ 10.78	\$ 26.35	\$ 15.05	\$ 10.78	\$ 25.83	\$ (0.52)	\$ -	\$ (0.52)	-1.97%
150	\$ 20.22	\$ 16.16	\$ 36.38	\$ 19.45	\$ 16.16	\$ 35.61	\$ (0.77)	\$ -	\$ (0.77)	-2.12%
200	\$ 24.88	\$ 21.56	\$ 46.44	\$ 23.85	\$ 21.56	\$ 45.41	\$ (1.03)	\$ -	\$ (1.03)	-2.22%
250	\$ 29.54	\$ 26.95	\$ 56.49	\$ 28.25	\$ 26.95	\$ 55.20	\$ (1.29)	\$ -	\$ (1.29)	-2.28%
300	\$ 34.19	\$ 32.34	\$ 66.53	\$ 32.64	\$ 32.34	\$ 64.98	\$ (1.55)	\$ -	\$ (1.55)	-2.33%
350	\$ 38.85	\$ 37.72	\$ 76.57	\$ 37.04	\$ 37.72	\$ 74.76	\$ (1.81)	\$ -	\$ (1.81)	-2.36%
400	\$ 43.50	\$ 43.11	\$ 86.61	\$ 41.44	\$ 43.11	\$ 84.55	\$ (2.06)	\$ -	\$ (2.06)	-2.38%
450	\$ 48.16	\$ 48.50	\$ 96.66	\$ 45.84	\$ 48.50	\$ 94.34	\$ (2.32)	\$ -	\$ (2.32)	-2.40%
500	\$ 52.82	\$ 53.89	\$ 106.71	\$ 50.24	\$ 53.89	\$ 104.13	\$ (2.58)	\$ -	\$ (2.58)	-2.42%
600	\$ 62.13	\$ 64.67	\$ 126.80	\$ 59.03	\$ 64.67	\$ 123.70	\$ (3.10)	\$ -	\$ (3.10)	-2.44%
680	\$ 69.59	\$ 73.29	\$ 142.88	\$ 66.07	\$ 73.29	\$ 139.36	\$ (3.52)	\$ -	\$ (3.52)	-2.46%
700	\$ 71.45	\$ 75.45	\$ 146.90	\$ 67.83	\$ 75.45	\$ 143.28	\$ (3.62)	\$ -	\$ (3.62)	-2.46%
750	\$ 76.11	\$ 80.84	\$ 156.95	\$ 72.23	\$ 80.84	\$ 153.07	\$ (3.88)	\$ -	\$ (3.88)	-2.47%
800	\$ 80.97	\$ 86.40	\$ 167.37	\$ 76.84	\$ 86.40	\$ 163.24	\$ (4.13)	\$ -	\$ (4.13)	-2.47%
900	\$ 90.71	\$ 97.52	\$ 188.23	\$ 86.06	\$ 97.52	\$ 183.58	\$ (4.65)	\$ -	\$ (4.65)	-2.47%
1000	\$ 100.45	\$ 108.64	\$ 209.09	\$ 95.28	\$ 108.64	\$ 203.92	\$ (5.17)	\$ -	\$ (5.17)	-2.47%
1200	\$ 119.92	\$ 130.88	\$ 250.80	\$ 113.72	\$ 130.88	\$ 244.60	\$ (6.20)	\$ -	\$ (6.20)	-2.47%
1500	\$ 149.13	\$ 164.24	\$ 313.37	\$ 141.39	\$ 164.24	\$ 305.63	\$ (7.74)	\$ -	\$ (7.74)	-2.47%
2000	\$ 197.81	\$ 219.84	\$ 417.65	\$ 187.48	\$ 219.84	\$ 407.32	\$ (10.33)	\$ -	\$ (10.33)	-2.47%
2500	\$ 246.50	\$ 275.45	\$ 521.95	\$ 233.59	\$ 275.45	\$ 509.04	\$ (12.91)	\$ -	\$ (12.91)	-2.47%
3000	\$ 295.18	\$ 331.05	\$ 626.23	\$ 279.69	\$ 331.05	\$ 610.74	\$ (15.49)	\$ -	\$ (15.49)	-2.47%
3500	\$ 343.86	\$ 386.65	\$ 730.51	\$ 325.79	\$ 386.65	\$ 712.44	\$ (18.07)	\$ -	\$ (18.07)	-2.47%
4000	\$ 392.55	\$ 442.26	\$ 834.81	\$ 371.89	\$ 442.26	\$ 814.15	\$ (20.66)	\$ -	\$ (20.66)	-2.47%

Exhibit C

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	\$ 0.009827
MGS Secondary and MGS-SEVC	\$ 0.009827
MGS Primary	\$ 0.009569
AGS Secondary	\$ 0.009827
AGS Primary	\$ 0.009569
TGS	\$ 0.009368
SPL/CSL	\$ 0.009827
DDC	\$ 0.009827

Date of Issue:

Effective Date:

Issued by:

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	\$0.003251 per kWh
Uncollectible Accounts	\$0.001712 per kWh
Universal Service Fund	\$0.003417 per kWh
Lifeline	\$0.000784 per kWh

Date of Issue:

Effective Date:

Issued by:

**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.
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<u>Rate Schedule</u>	<u>Total NGC</u>
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MGS Secondary and MGS-SEVC	\$ 0.009827
MGS Primary	\$ 0.009569
AGS Secondary	\$ 0.009827
AGS Primary	\$ 0.009569
TGS	\$ 0.009368
SPL/CSL	\$ 0.009827
DDC	\$ 0.009827

Date of Issue: ~~May 26, 2022~~

Effective Date: ~~June 1, 2022~~

~~Issued by: J. Tyler Anthony, 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
BPU Docket No. ER22020038~~

Issued by:

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	\$0.003251 per kWh
Uncollectible Accounts	\$0.001712 per kWh
Universal Service Fund	\$0.003417 per kWh
Lifeline	\$0.000784 per kWh

Date of Issue: ~~September 29, 2022~~

Effective Date: ~~October 1, 2022~~

~~Issued by: J. Tyler Anthony, 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
BPU Docket No. ER22060374~~

Issued by:

I/M/O the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its
Non-Utility Generation Charge and Its Societal Benefits Charge (2022)
BPU Docket No. ER22020038

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• Does **not** receive Discovery