



Agenda Date: 05/21/14
Agenda Item: 2E

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

ENERGY

IN THE MATTER OF THE PETITION OF ATLANTIC)
CITY ELECTRIC COMPANY TO RECONCILE AND)
UPDATE THE LEVEL OF ITS NON-UTILITY)
GENERATION CHARGE ITS SOCIETAL BENEFITS)
CHARGE AND ITS SYSTEM CONTROL CHARGE)
(2014)) DOCKET NO. ER14030209

Parties of Record:

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

BY THE BOARD:

On March 4, 2014, Atlantic City Electric Company (“ACE” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) requesting approval for changes in its Non-Utility Generation Charge (“NGC”), its Societal Benefits Charge (“SBC”) and its System Control Charge (“SCC”). By this Decision and Order, the Board considers a Stipulation for Provisional Rates (“Stipulation”) entered into by ACE, the New Jersey Division of Rate Counsel (“Rate Counsel”), and Board Staff (“Staff”) (collectively, the “Signatory Parties”), requesting that the Board approve changes in the NGC, SBC, and SCC on a provisional basis, subject to refund with interest.

BACKGROUND

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

Pursuant to the Restructuring Order, and to the extent that expenditures for these initiatives exceeded the amount of their cost recovery, the expenditures were subject to deferred

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

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

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

COMPANY FILING

On March 4, 2014, the Company filed the instant petition and accompanying exhibits, including pre-filed direct testimony ("March 2014 Petition"). The Company's NGC is currently designed to recover the above-market component of payments made under purchased power agreements ("PPAs") with non-utility generators ("NUGs"). The SBC components proposed to be revised by the instant petition are the Clean Energy Program component ("CEP") and the Uncollectible Accounts component ("UNC"). The SCC, which became effective on or about June 1, 2004, was designed to recover operating costs associated with the Company's residential appliance cycling program ("Legacy Program"). In the March 2014 Petition, the projected deferred balances were based on actual costs and revenues through January 31, 2014 and projected data for the period of February 1, 2014 through May 31, 2014. By letter dated April 16, 2014, ACE updated its proposed adjustments to the NGC, CEP and UNC components of the SBC, and the SCC based on projected deferred balances that included actual costs and revenues through March 31, 2014 ("April Update").

NGC

With respect to the NGC, the rate proposed in the April Update was designed to recover forecasted above-market NUG costs for the period June 1, 2014 through May 31, 2015, totaling \$103.290 million. It will also return the projected over-recovered balance of \$32.854 million as of May 31, 2014. In addition, the proposed NGC will recover an additional \$32.684 million (\$32.419 million amortization and \$0.265 million interest) associated with the deferred under-recovered balance of \$126.973 which is being amortized on a four-year period. The total forecasted recovery for this period is \$103.120 million.

SBC (UNC AND CEP)

According to the April Update, the rates proposed for the UNC component of the SBC were designed to recover approximately \$13.416 million for the period June 1, 2014 through May 31,

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, Final 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.

2015. Additionally, the proposed rate would return to customers a projected over-recovered balance of \$0.571 million as of May 31, 2014. In addition, similar to the proposed treatment of the NGC under-recovered balance, ACE proposed to continue the recovery of the projected under-recovered balance over a four year amortization period ending May 31, 2016 which was initiated on July 1, 2012. As a result, an additional \$2.826 million (\$2.803 million amortization and \$0.023 million interest) is associated with the deferred under-recovered balance of \$10.978 million. The total forecasted recovery for this period is \$15.671 million.

The rates proposed for the CEP component of the SBC were designed to recover approximately \$31.838 million for the period June 1, 2014 through May 31, 2015. ACE has based its projections on the funding levels approved by the Board in its Order dated June 21, 2013 in Docket No. EO11050324V. The average monthly expenditures from the fiscal year 2014 projected funding levels as found in the above Order were used to develop the monthly expenditures for the periods July 2014 to May 2015 after reducing the annual level expense by the June 2014 projected level of expense. In addition, based on an estimate of the CEP deferred balance through May 31, 2014, ACE anticipated a projected over-recovery of approximately \$0.332 million. The total forecasted recovery for this period is \$31.507 million.

SCC

In the March 2014 Petition, ACE proposed to terminate the SCC effective June 1, 2014 as the Legacy Program is set to end as of May 31, 2014, and has been replaced by the Residential Controllable Smart Thermostat Program ("RCSTP") available to residential customers.⁴

Based on the April Update, ACE has indicated that the SCC will have a projected over-recovered balance of \$0.203 million. The Company has proposed that any balances associated with the SCC following termination of the Legacy Program be accounted for as part of the Company's RGGI Recovery Charge.

If approved, the net impact of adjusting the NGC and the CEP and UNC components of the SBC, along with the termination of the SCC rate [including Sales and Use Tax ("SUT")] would be an overall annual rate decrease of approximately \$41.085 million.

STIPULATION

Because the Company's filing will not be updated with actual revenues and expenses until after June 1, 2014, and additional time is needed to complete the review of the proposed rates to ensure that the costs are adequately explained, reconciled and addressed, and the resulting rates are reasonable, on May 1, 2014, the Signatory Parties entered into a Stipulation for provisional rates for the NGC, SBC, and SCC.

The Stipulation provides for the following⁵:

1. The Signatory Parties have determined that, because the Company's filing will not be updated with actual revenues and expenses through May 31, 2014 until after June 1, 2014, additional time is needed to complete the review of the

⁴ The costs of the RCSTP are recovered through the Regional Greenhouse Gas Initiative ("RGGI") Recovery Charge.

⁵ Although described in this Order, should there be any conflict between this summary and the stipulation, the terms of the stipulation control, subject to the findings and conclusions contained in this Order.

proposed rates and underlying costs for reasonableness and prudence. The Signatory Parties have agreed, however, that the implementation of provisional NGC and SBC rates is reasonable at this time. Final rates to replace the interim rates agreed upon in the Stipulation will be determined after June 1, 2014 after further discovery, a prudence review and the opportunity for an evidentiary hearing, if necessary.

2. As part of the discussions held with the parties, the Company has determined that it has inconsistently applied certain revenues and costs associated with a contract between Monsanto Company ("Monsanto") and Logan Generating Company, L.P. ("Logan"), which contract Logan has assigned its interest in to ACE. The Company accepted the assignment of Logan's contractual obligations to Monsanto, along with the revenues and costs thereof, which assignment was approved by Board Order dated August 12, 1996 in BPU Docket No. EM95110543 (the "1996 Order"). The Company has advised the Signatory Parties that it intends to file an Amended Petition within the next 30 days in the instant matter, which Amended Petition will propose on a prospective basis commencing on and after June 1, 2013 an application of the costs and revenues associated with the above referenced contract assignment. The Company has removed as of June 1, 2013 from the NGC all costs and revenues associated with the Logan assignment (\$780,990 – see Settlement Schedule 1, page 2 of 3, line 13), and will defer final accounting for this item pending the Board's final determination with respect to the appropriate accounting treatment for these costs and revenues. The Parties therefore request the Board's approval for such deferred accounting treatment.
3. The Company's filing in this matter, which includes rates in effect since June 1, 2013, included a projected over-recovered NGC balance as of May 31, 2014 of \$15.141 million, including interest. The Signatory Parties stipulate, acknowledge, and agree that, based on the actual balance through March 2014 and estimated for the months of April and May, 2014, this balance is projected to be \$32.854 million, including interest (Settlement Schedule 1, page 1 of 3). For the period of June 1, 2014 through May 31, 2015, the total amount to be recovered will be approximately \$103.120 million, including interest.
4. The Signatory Parties stipulate, acknowledge, and agree that the Company's updated filing in this proceeding indicates forecasted above-market NUG costs of \$103.290 million for the period June 1, 2014 through May 31, 2015. A portion of the total NGC costs include \$32.684 million for the amortization of such costs as agreed to by the same Parties in the Stipulation for Provisional Rates in BPU Docket No. ER12020173 approved by Board Order dated June 18, 2012 (Settlement Schedule 1, page 1 of 3, line 25). The total period NGC costs that the Company proposes to recover through the provisional NGC rate equals \$103.120 million (Settlement Schedule 1, page 1 of 3, line 27). Accordingly, the Company will implement a residential NGC rate of \$0.012234 per kWh for the period June 1, 2014 through May 31, 2015 (Settlement Schedule 1, page 1 of 3, line 39). A final determination regarding the appropriateness of applicable interest on the Company's NGC balance, and the appropriate interest rate and methodology therefore, will be determined when final rates are set.

5. The Signatory Parties acknowledge, stipulate, and agree that the Company's updated filing as of March 31, 2014 in this proceeding indicates forecasted SBC costs of \$47.178 million for the CEP and the UNC.

For the CEP component of the SBC, the projected costs total \$31.507 million. This total consists of \$31.838 million of projected CEP costs for the period June 1, 2014 through May 31, 2015 (Settlement Schedule 2, page 1 of 2, line 21), and a projected over-recovered balance at May 31, 2014 of \$0.332 million (Settlement Schedule 2, page 2 of 2, line 17).

The forecasted total cost for the UNC component of the SBC is \$15.671 million. This total includes \$13.416 million of projected UNC costs for the period June 1, 2014 through May 31, 2015 (Settlement Schedule 3, page 1 of 4, line 1), and a projected over-recovered balance at May 31, 2014 of \$0.571 million (Settlement Schedule 3, page 2 of 4, line 17). In addition, the forecasted total UNC costs include \$2.826 million (Settlement Schedule 3, page 1 of 4, line 7) for the continued recovery of the UNC under-recovered balance as agreed to by the same Signatory Parties in the Stipulation for Provisional Rates in BPU Docket No. ER12020173 approved by Board Order dated June 18, 2012. As agreed to previously, a final determination regarding the appropriateness of applicable interest on the Company's deferral balances will be determined when final rates are set.

The Signatory Parties agree that the Company will implement an SBC rate of \$0.008722, which is comprised in relevant part of a CEP rate of \$0.003709 per kWh (Settlement Schedule 2, page 1 of 2, line 38) and a UNC rate of \$0.001845 per kWh (Settlement Schedule 3, page 1 of 4, line 15), as well as the Universal Service Fund and Lifeline rates, which are not being changed as a result hereof. This represents a net decrease of \$0.000022 per kWh to the SBC rate.

6. The Signatory Parties stipulate and agree that the Company's updated filing in this proceeding indicates a projected over-recovered SCC balance (as updated based on the actual balance through March 31, 2014, and estimated for the months of April and May 2014) of \$0.203 million (Settlement Schedule 4, page 1 of 1, line 17). The Signatory Parties stipulate and agree that the Company's SCC tariff charge should be terminated on and after June 1, 2014. The SCC is designed to recover costs associated with the Company's Peak Savers Program, which is scheduled to be terminated as of May 31, 2014. The Peak Savers Program is being replaced by the Company's Residential Controllable Smart Thermostat Program, the costs for which are recovered through the Company's existing RGGI Rider. Any balances associated with the SCC following termination of the Peak Savers Program will be accounted for as part of the Company's RGGI Rider.
7. According to the Company's calculation, the overall annual average monthly bill impact of the combined proposed NGC, SBC, and SCC rate changes for a residential customer using 1,000 kWh per month, result in an decrease of \$4.55 or 2.67 percent (Settlement Schedule 5, page 4 of 4).
8. The Signatory Parties further acknowledge that a Board Order approving the Stipulation will become effective upon the service of said Board Order or upon

such date after the service thereof as the Board may specify in accordance with N.J.S.A. 48:2-40.

9. The Signatory Parties further stipulate and agree to the establishment of NGC, SBC, and SCC rates designed for recovery from the Effective Date through May 31, 2015, 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 6 for the proposed Tariff pages incorporating the new rates. As shown in Settlement Schedule 5, the impact of the proposed rate changes for the period June 1, 2014 to May 31, 2015, including Sales and Use Tax, is an estimated annual decrease of \$40.538 million related to the NGC component; an estimated annual decrease of \$0.201 million related to the SBC component (CEP and UNC combined); and an estimated annual decrease of \$0.346 million related to the SCC Component. Consequently, the overall impact of the proposed rate changes is an estimated annual decrease of \$41.085 million (including Sales and Use Tax) for all components.
10. The Signatory Parties agree that the Company's next NGC/SBC/SCC update/reconciliation petition shall be filed with the Board (with a copy to be provided to Rate Counsel) at least 90 days prior to the proposed effective date of June 1, 2015. The Signatory Parties agree ACE will continue to explore opportunities to mitigate the terms of the three ongoing NUG contracts (Logan, Chambers, and DRMI). The Signatory Parties further agree that ACE will continue to file quarterly reports with Board Staff and Rate Counsel, showing the actual NGC, SBC, and SCC deferred balances. The reports will also include a forecast of the deferred balance on May 31, 2015. The reports will include a variance analysis, including a narrative description, of the monthly projected versus actual updated deferred balances. To the extent that the forecast shows an under- or over-recovered deferred balance of more than \$50 million at the end of the period, excluding the unamortized balances of the NGC and UNC components which are being amortized over 47 months effective July 1, 2012, the Signatory Parties agree that ACE will file a petition to update the NGC, SBC, and SCC components with an effective date prior to June 1, 2015.

DISCUSSION AND FINDING

The Board has carefully reviewed the record to date in this proceeding and the attached Stipulation which allows the Company to recover costs on a provisional basis. The Board **FINDS** that, subject to the terms and conditions set forth below, the Stipulation is reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation as its own, as if fully set forth herein. The Board **HEREBY APPROVES**, on a provisional basis, subject to refund with interest on any net over-recovered balance, a decrease of the CEP component of the SBC to \$0.003709 per kWh including SUT, an increase of the UNC component of the SBC to \$0.001845 per kWh including SUT, and a decrease in the NGC rate to \$0.012234. In addition, the SCC will be terminated effective June 1, 2014. Consistent with the Stipulation, any balances associated with the SCC following termination of the Legacy Program be accounted for as part of the Company's RGGI Recovery Charge. For an average residential customer using approximately 1,000 kWh per month, the cumulative impact of these changes represents a decrease of approximately \$4.55 or 2.67% on a total monthly bill.

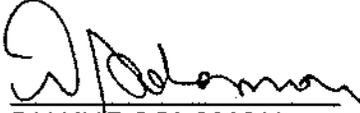
These changes shall become effective as of June 1, 2014.

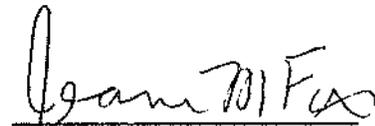
The Board **HEREBY ORDERS** ACE to file revised tariff sheets conforming to the terms of the Stipulation within five (5) days of service of this Board Order.

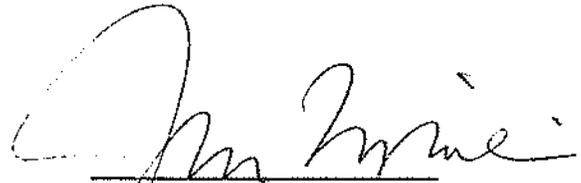
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

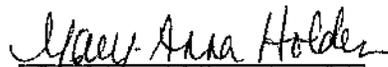
DATED: 5/21/14

BOARD OF PUBLIC UTILITIES
BY:

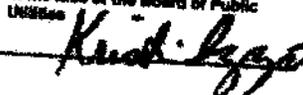

DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST: 
KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities


**IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY TO
RECONCILE AND UPDATE THE LEVEL OF
ITS NON-UTILITY GENERATION CHARGE
("NGC"), ITS SOCIETAL BENEFITS
CHARGE ("SBC"), AND ITS SYSTEM
CONTROL CHARGE ("SCC") (2014)**

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

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

**BPU DOCKET NO.
ER14030209**

APPEARANCES:

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

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

Alex Moreau, Deputy Attorney General, and T. David Wand, Deputy Attorney General, on behalf of the Staff of the New Jersey Board of Public Utilities ("Board Staff") (John Jay Hoffman, Acting Attorney General of New Jersey)

PROCEDURAL HISTORY

On or about March 3, 2014, Atlantic City Electric Company ("ACE" or the "Company") filed a Verified Petition (the "2014 Petition") with the New Jersey Board of Public Utilities (the "Board" or "BPU") seeking the Board's approval to reconcile and update ACE's Non-Utility Generation Charge ("NGC"), its Societal Benefits Charge ("SBC"), and its System Control Charge ("SCC"). The matter was docketed as BPU Docket No. ER14030209.

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: the Universal Service Fund and Lifeline social programs; Clean Energy Programs ("CEP"); Uncollectible Accounts ("UNC"); and consumer education.

The SCC was designed to recover operating costs associated with the Company's Residential Appliance Cycling Program.

The purpose of the 2014 Petition is to reconcile and reset the levels of the (i) NGC; (ii) two components of the SBC; and (iii) the SCC for the current annual period of June 1, 2013 through May 31, 2014, and the projected period June 1, 2014 through May 31, 2015. The SBC components to be changed include the CEP and the UNC charges. In the 2014 Petition, the projected deferred balances included actual costs and revenues through January 31, 2014.

Subsequent to its initial filing in connection with the 2014 Petition, ACE, by letter dated April 16, 2014, updated its proposed adjustments to the NGC, the CEP and UNC components of the SBC, as well as the SCC, based on projected deferred balances as of May 31, 2014, and projected expenses for the period of June 1, 2014 through May 31, 2015. The projected deferred balances included actual costs and revenues through March 31, 2014.

Representatives from the Company, Board Staff, and Rate Counsel (jointly referred to herein as the "Signatory Parties") have held discussions with respect to this matter. As a result of those discussions, the Signatory Parties to this Stipulation STIPULATE AND AGREE as follows:

1. The Signatory Parties have determined that, because the Company's filing will not be updated with actual revenues and expenses through May 31, 2014 until after June 1, 2014, additional time is needed to complete the review of the proposed rates and underlying costs for reasonableness and prudence. The Signatory Parties have agreed, however, that the implementation of provisional NGC and SBC rates is reasonable at this time. Final rates to replace the interim rates agreed upon in this Stipulation will be determined after June 1, 2014

after further discovery, a prudence review and the opportunity for an evidentiary hearing, if necessary.

2. As part of the discussions held with the Parties, the Company has determined that it has inconsistently applied certain revenues and costs associated with a contract between Monsanto Company (“Monsanto”) and Logan Generating Company, L.P. (“Logan”), which contract Logan has assigned its interest in to ACE. The Company accepted the assignment of Logan’s contractual obligations to Monsanto, along with the revenues and costs thereof, which assignment was approved by Board Order dated August 12, 1996 in BPU Docket No. EM95110543 (the “1996 Order”). The Company has advised the Signatory Parties that it intends to file an Amended Petition within the next 30 days in this instant matter, which Amended Petition will propose on a prospective basis commencing on and after June 1, 2013 an application of the costs and revenues associated with the above referenced contract assignment. The Company has removed as of June 1, 2013 from the NGC all costs and revenues associated with the Logan assignment (\$780,990 – see Settlement Schedule 1, page 2 of 3, line 13), and will defer final accounting for this item pending the Board’s final determination with respect to the appropriate accounting treatment for these costs and revenues. The Parties therefore request the Board’s approval for such deferred accounting treatment.

3. The Company’s filing in this matter, which includes rates in effect since June 1, 2013, included a projected over-recovered NGC balance as of May 31, 2014 of \$15.141 million, including interest. The Signatory Parties stipulate, acknowledge, and agree that, based on the actual balance through March 2014 and estimated for the months of April and May, 2014, this balance is projected to be \$32.854 million, including interest (**Settlement Schedule 1**, page 1 of

3). For the period of June 1, 2014 through May 31, 2015, the total amount to be recovered will be approximately \$103.120 million, including interest.

4. The Signatory Parties stipulate, acknowledge, and agree that the Company's updated filing in this proceeding indicates forecasted above-market NUG costs of \$103.290 million for the period June 1, 2014 through May 31, 2015. A portion of the total NGC costs include \$32.684 million for the amortization of such costs as agreed to by the same Parties in the Stipulation for Provisional Rates in BPU Docket No. ER12020173 approved by Board Order dated June 18, 2012 (**Settlement Schedule 1**, page 1 of 3, line 25). The total period NGC costs that the Company proposes to recover through the provisional NGC rate equals \$103.120 million (**Settlement Schedule 1**, page 1 of 3, line 27). Accordingly, the Company will implement a residential NGC rate of \$0.012234 per kWh for the period June 1, 2014 through May 31, 2015 (**Settlement Schedule 1**, page 1 of 3, line 39). A final determination regarding the appropriateness of applicable interest on the Company's NGC balance, and the appropriate interest rate and methodology therefore, will be determined when final rates are set.

5. The Signatory Parties acknowledge, stipulate, and agree that the Company's updated filing as of March 31, 2014 in this proceeding indicates forecasted SBC costs of \$47.178 million for the CEP and the UNC.

For the CEP component of the SBC, the projected costs total \$31.507 million. This total consists of \$31.838 million of projected CEP costs for the period June 1, 2014 through May 31, 2015 (**Settlement Schedule 2**, page 1 of 2, line 21), and a projected over-recovered balance at May 31, 2014 of \$0.332 million (**Settlement Schedule 2**, page 2 of 2, line 17).

The forecasted total cost for the UNC component of the SBC is \$15.671 million. This total includes \$13.416 million of projected UNC costs for the period June 1, 2014 through May

31, 2015 (**Settlement Schedule 3**, page 1 of 4, line 1), and a projected over-recovered balance at May 31, 2014 of \$0.571 million (**Settlement Schedule 3**, page 2 of 4, line 17). In addition, the forecasted total UNC costs include \$2.826 million (**Settlement Schedule 3**, page 1 of 4, line 7) for the continued recovery of the UNC under-recovered balance as agreed to by the same Signatory Parties in the Stipulation for Provisional Rates in BPU Docket No. ER12020173 approved by Board Order dated June 18, 2012. As agreed to previously, a final determination regarding the appropriateness of applicable interest on the Company's deferral balances will be determined when final rates are set.

The Signatory Parties agree that the Company will implement an SBC rate of \$0.008722, which is comprised in relevant part of a CEP rate of \$0.003709 per kWh (**Settlement Schedule 2**, page 1 of 2, line 38) and a UNC rate of \$0.001845 per kWh (**Settlement Schedule 3**, page 1 of 4, line 15), as well as the Universal Service Fund and Lifeline rates, which are not being changed as a result hereof. This represents a net decrease of \$0.000022 per kWh to the SBC rate.

6. The Signatory Parties stipulate and agree that the Company's updated filing in this proceeding indicates a projected over-recovered SCC balance (as updated based on the actual balance through March 31, 2014, and estimated for the months of April and May 2014) of \$0.203 million (**Settlement Schedule 4**, page 1 of 1, line 17). The Signatory Parties stipulate and agree that the Company's SCC tariff charge should be terminated on and after June 1, 2014. The SCC is designed to recover costs associated with the Company's Peak Savers Program, which is scheduled to be terminated as of May 31, 2014. The Peak Savers Program is being replaced by the Company's Residential Controllable Smart Thermostat Program, the costs for which are recovered through the Company's existing Regional Greenhouse Gas Initiative

("RGGI") Rider. Any balances associated with the SCC following termination of the Peak Savers Program will be accounted for as part of the Company's RGGI Rider.

7. According to the Company's calculation, the overall annual average monthly bill impact of the combined proposed NGC, SBC, and SCC rate changes for a residential customer using 1,000 kWh per month, result in an decrease of \$4.55 or 2.67 percent (**Settlement Schedule 5**, page 4 of 4).

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

9. The Signatory Parties further stipulate and agree to the establishment of NGC, SBC, and SCC rates designed for recovery from the Effective Date through May 31, 2015, 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 6* for the proposed Tariff pages incorporating the new rates. As shown in **Settlement Schedule 5**, the impact of the proposed rate changes for the period June 1, 2014 to May 31, 2015, including Sales and Use Tax, is an estimated annual decrease of \$40.538 million related to the NGC component; an estimated annual decrease of \$0.201 million related to the SBC component (CEP and UNC combined); and an estimated annual decrease of \$0.346 million related to the SCC Component. Consequently, the overall impact of the proposed rate changes is an estimated annual decrease of \$41.085 million (including Sales and Use Tax) for all components.

10. The Signatory Parties agree that the Company's next NGC/SBC/SCC update/reconciliation petition shall be filed with the Board (with a copy to be provided to Rate

Counsel) at least 90 days prior to the proposed effective date of June 1, 2015. The Signatory Parties agree ACE will continue to explore opportunities to mitigate the terms of the three ongoing NUG contracts (Logan, Chambers, and DRMI). The Signatory Parties further agree that ACE will continue to file quarterly reports with Board Staff and Rate Counsel, showing the actual NGC, SBC, and SCC deferred balances. The reports will also include a forecast of the deferred balance on May 31, 2015. The reports will include a variance analysis, including a narrative description, of the monthly projected versus actual updated deferred balances. To the extent that the forecast shows an under- or over-recovered deferred balance of more than \$50 million at the end of the period, excluding the unamortized balances of the NGC and UNC components which are being amortized over 47 months effective July 1, 2012, the Signatory Parties agree that ACE will file a petition to update the NGC, SBC, and SCC components with an effective date prior to June 1, 2015.

11. It is a condition of this Stipulation that the Board issue an Order approving the provisional rates agreed upon in this Stipulation on an interim basis without change or further conditions. Should the Board fail to issue such an Order, this Stipulation shall be deemed null and void and of no force and effect. In the event this condition is not satisfied for any reason, then neither the existence of this Stipulation nor its provisions shall be disclosed or utilized by any Signatory Party or person for any purpose whatsoever, including in this or any other proceeding. The Signatory Parties agree that this Stipulation is a negotiated agreement and represents a reasonable balance of the competing interests involved in this proceeding. The contents of this Stipulation shall not in any way be considered, cited or used by any of the Signatory Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation. Notwithstanding

anything to the contrary set forth herein, upon the occurrence of any of the following, this Stipulation shall terminate:

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

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 Signatory Parties.

CONCLUSION

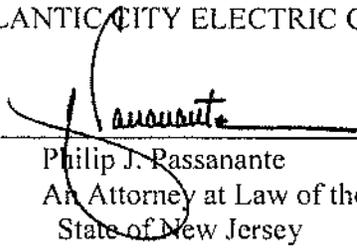
WHEREFORE, for the reasons set forth above, the Signatory Parties to this Stipulation for Provisional Rates respectfully request that the Board approve and adopt this Stipulation in its entirety and issue an Order on Provisional Rates adopting this Stipulation in this proceeding and determining that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

Respectfully submitted,

ATLANTIC CITY ELECTRIC COMPANY

Dated: May 1, 2014

By: _____


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

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ACTING ATTORNEY GENERAL OF NEW
JERSEY

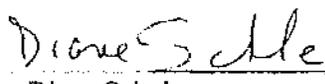
Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: 05/01/2014

By: 
Alex Moreau
Deputy Attorney General

DIVISION OF RATE COUNSEL
Stefanie A. Brand
Director

Dated:

By: 
Diane Schulze
Assistant Deputy Rate Counsel

Settlement Schedule 1

Line	Table 1	Forecasted NUG Costs						
		Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	
5	NGC Costs	\$ 20,545,051	\$ 22,684,764	\$ 21,158,899	\$ 18,611,414	\$ 16,259,646	\$ 15,851,457	
6	Market-Based Revenue (\$000)	\$ 12,371,609	\$ 15,981,118	\$ 12,481,656	\$ 8,661,156	\$ 7,431,272	\$ 7,075,548	
7	Above Market NUG Costs (\$000)	\$ 8,173,441	\$ 6,703,645	\$ 8,677,233	\$ 9,960,258	\$ 8,827,374	\$ 8,775,909	
		Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-14 to May-15
11	NGC Costs	\$ 20,102,952	\$ 20,954,332	\$ 17,950,682	\$ 16,548,491	\$ 15,726,396	\$ 17,563,775	\$ 223,956,747
12	Market-Based Revenue (\$000)	\$ 10,919,344	\$ 12,541,476	\$ 8,557,230	\$ 7,887,225	\$ 7,798,431	\$ 8,970,522	\$ 120,666,588
13	Above Market NUG Costs (\$000)	\$ 9,183,608	\$ 8,412,856	\$ 9,393,452	\$ 8,661,266	\$ 7,927,965	\$ 8,593,252	\$ 103,290,159
16	Projected Contract Cost (\$000)			\$ 223,956,747	= Line 5 + Line 11			
17	Forecasted Market-Based Revenue (\$000)			\$ 120,666,588	= Line 6 + Line 12			
18	Forecasted Above Market NUG Costs (\$000)			\$ 103,290,159	= Line 16 - Line 17			
20	Projected Over Recovered Balance At June 1 2014			\$ (32,853,585)	Settlement Schedule 1 Page 2 Col 9 Line 17			
21	Subtotal Forecasted NUG and Over Recovered Balance			\$ 70,436,574	Line 18 + Line 20			
23	Recovery of NGC Unamortized Balance June 2014 to May 2015 (Amort. ending May 2016)			\$ 32,418,689	Settlement Schedule 1 Page 3 Column 3 Line 11			
24	Interest on NGC Balance being Amortized June 2014 - May 2015			\$ 265,157	Settlement Schedule 1 Page 3 Column 4 Line 11			
25	Total Estimated NGC Unamortized Balance Recovery June 2014 - May 2015			\$ 32,683,846	Line 23 + Line 24			
27	Total Period NGC Costs:			\$ 103,120,420	Line 21 + Line 25			

Line	Table 2	NGC Rate with Voltage Level Loss Adjustment	
			Loss Factor
30	Voltage Level		
31	Secondary (120 - 480 Volts)		1.07149
32	Primary (4,000 & 12,000 Volts)		1.04345
33	Subtransmission (23,000 & 34,500 Volts)		1.03160
34	Transmission (69,000 Volts)		1.02150

Line	Rate Class	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
		Loss Factor	Sales @ Customer (kWh)	= Col. 1 x Col. 2 Sales @ Bulk System - Including Losses	= Col. 3 Lines 39 - 46 / Col. 3 Line 47 Allocation Factor	= Col. 4 x Line 27 Allocated Revenue Requirements	= Col. 5 / Col. 2 NGC Rate (\$/kWh)	= Col. 6 x (1/(1-0.00285))-1 BPU Assessment (\$/kWh)	= Col. 6 + Col. 7 Final NGC Rate (\$/kWh)	= Col. 8 x 1.07 Final NGC Rate w/ SUT (\$/kWh)
38	RS	1.07149	4,160,889,539	4,458,351,532	0.4600	\$ 47,438,887	\$ 0.011401	\$ 0.000033	\$ 0.011434	\$ 0.012234
40	MGS Secondary	1.07149	1,173,553,842	1,257,451,206	0.1297	\$ 13,379,853	\$ 0.011401	\$ 0.000033	\$ 0.011434	\$ 0.012234
41	MGS Primary	1.04345	19,302,156	20,140,836	0.0021	\$ 214,308	\$ 0.011103	\$ 0.000032	\$ 0.011135	\$ 0.011914
42	AGS Secondary	1.07149	1,936,572,277	2,075,017,829	0.2141	\$ 22,079,133	\$ 0.011401	\$ 0.000033	\$ 0.011434	\$ 0.012234
43	AGS Primary	1.04345	588,679,600	594,432,179	0.0613	\$ 6,325,029	\$ 0.011103	\$ 0.000032	\$ 0.011135	\$ 0.011914
44	TGS	1.02150	1,167,046,235	1,192,137,729	0.1230	\$ 12,684,887	\$ 0.010869	\$ 0.000031	\$ 0.010900	\$ 0.011603
45	SPL/CSL	1.07149	75,118,221	80,488,423	0.0083	\$ 856,433	\$ 0.011401	\$ 0.000033	\$ 0.011434	\$ 0.012234
46	DDC	1.07149	12,445,278	13,334,991	0.0014	\$ 141,890	\$ 0.011401	\$ 0.000033	\$ 0.011434	\$ 0.012234
47	Total		9,114,607,148	9,691,354,723	1.0000	\$ 103,120,420				

Atlantic City Electric Company

Amortization of Under Recovered NGC Balance

Amortization for Period July 2012 to May 2016

Amortization Rate to be Effective For Period July 2012 - May 2016

Updated for Actuals through March 2014

Settlement Schedule 1

Page 3 of 3

Line								
1	Total Under Recovered To Be Amortized		\$	126,973,199	Settlement ER12020173 Schedule 1 Page 3 of 4			
2								
3	Interest Rate (Pre-Tax)			0.92%	Settlement ER12020173 Schedule 1 Page 3 of 4			
4	Interest Rate (After-Tax)			0.55%	Settlement ER12020173 Schedule 1 Page 3 of 4			
5	Amortization Period (Years)			3.9	Settlement ER12020173 Schedule 1 Page 3 of 4			
6								
7	Total Annual Balance Per Year		\$	32,418,689	Settlement ER12020173 Schedule 1 Page 3 of 4			
8								
9								
10	Col 1		Column Totals	\$ 126,973,199	\$	1,355,862	Col 5	
11	June 2014 to May 2015 (Sum Line 38 to Line 48)		Col 2	\$ 32,418,689	\$	265,157	Col 5	
12								
13	Period	Month	Total Starting Balance	Total Monthly Amortization	Total Interest	Total Ending Balance		
14	Deferral Starting Balance					\$ 126,973,199		
15	1	Jul-12	\$ 126,973,199	\$ 2,701,557	\$ 57,082	\$ 124,271,641		
16	2	Aug-12	\$ 124,271,641	\$ 2,701,557	\$ 55,855	\$ 121,570,084		
17	3	Sep-12	\$ 121,570,084	\$ 2,701,557	\$ 54,627	\$ 118,868,527		
18	4	Oct-12	\$ 118,868,527	\$ 2,701,557	\$ 53,400	\$ 116,166,969		
19	5	Nov-12	\$ 116,166,969	\$ 2,701,557	\$ 52,172	\$ 113,465,412		
20	6	Dec-12	\$ 113,465,412	\$ 2,701,557	\$ 50,945	\$ 110,763,854		
21	7	Jan-13	\$ 110,763,854	\$ 2,701,557	\$ 49,717	\$ 108,062,297		
22	8	Feb-13	\$ 108,062,297	\$ 2,701,557	\$ 48,489	\$ 105,360,739		
23	9	Mar-13	\$ 105,360,739	\$ 2,701,557	\$ 47,262	\$ 102,659,182		
24	10	Apr-13	\$ 102,659,182	\$ 2,701,557	\$ 46,034	\$ 99,957,625		
25	11	May-13	\$ 99,957,625	\$ 2,701,557	\$ 44,807	\$ 97,256,067		
26	12	Jun-13	\$ 97,256,067	\$ 2,701,557	\$ 43,579	\$ 94,554,510		
27	13	Jul-13	\$ 94,554,510	\$ 2,701,557	\$ 42,352	\$ 91,852,952		
28	14	Aug-13	\$ 91,852,952	\$ 2,701,557	\$ 41,124	\$ 89,151,395		
29	15	Sep-13	\$ 89,151,395	\$ 2,701,557	\$ 39,896	\$ 86,449,838		
30	16	Oct-13	\$ 86,449,838	\$ 2,701,557	\$ 38,669	\$ 83,748,280		
31	17	Nov-13	\$ 83,748,280	\$ 2,701,557	\$ 37,441	\$ 81,046,723		
32	18	Dec-13	\$ 81,046,723	\$ 2,701,557	\$ 36,214	\$ 78,345,165		
33	19	Jan-14	\$ 78,345,165	\$ 2,701,557	\$ 34,988	\$ 75,643,608		
34	20	Feb-14	\$ 75,643,608	\$ 2,701,557	\$ 33,758	\$ 72,942,050		
35	21	Mar-14	\$ 72,942,050	\$ 2,701,557	\$ 32,531	\$ 70,240,493		
36	22	Apr-14	\$ 70,240,493	\$ 2,701,557	\$ 31,303	\$ 67,538,936		
37	23	May-14	\$ 67,538,936	\$ 2,701,557	\$ 30,076	\$ 64,837,378		
38	24	Jun-14	\$ 64,837,378	\$ 2,701,557	\$ 28,848	\$ 62,135,821		
39	25	Jul-14	\$ 62,135,821	\$ 2,701,557	\$ 27,621	\$ 59,434,263		
40	26	Aug-14	\$ 59,434,263	\$ 2,701,557	\$ 26,393	\$ 56,732,706		
41	27	Sep-14	\$ 56,732,706	\$ 2,701,557	\$ 25,165	\$ 54,031,148		
42	28	Oct-14	\$ 54,031,148	\$ 2,701,557	\$ 23,938	\$ 51,329,591		
43	29	Nov-14	\$ 51,329,591	\$ 2,701,557	\$ 22,710	\$ 48,628,034		
44	30	Dec-14	\$ 48,628,034	\$ 2,701,557	\$ 21,483	\$ 45,926,476		
45	31	Jan-15	\$ 45,926,476	\$ 2,701,557	\$ 20,255	\$ 43,224,919		
46	32	Feb-15	\$ 43,224,919	\$ 2,701,557	\$ 19,027	\$ 40,523,361		
47	33	Mar-15	\$ 40,523,361	\$ 2,701,557	\$ 17,800	\$ 37,821,804		
48	34	Apr-15	\$ 37,821,804	\$ 2,701,557	\$ 16,572	\$ 35,120,246		
49	35	May-15	\$ 35,120,246	\$ 2,701,557	\$ 15,345	\$ 32,418,689		
50	36	Jun-15	\$ 32,418,689	\$ 2,701,557	\$ 14,117	\$ 29,717,132		
51	37	Jul-15	\$ 29,717,132	\$ 2,701,557	\$ 12,890	\$ 27,015,574		
52	38	Aug-15	\$ 27,015,574	\$ 2,701,557	\$ 11,662	\$ 24,314,017		
53	39	Sep-15	\$ 24,314,017	\$ 2,701,557	\$ 10,434	\$ 21,612,459		
54	40	Oct-15	\$ 21,612,459	\$ 2,701,557	\$ 9,207	\$ 18,910,902		
55	41	Nov-15	\$ 18,910,902	\$ 2,701,557	\$ 7,979	\$ 16,209,345		
56	42	Dec-15	\$ 16,209,345	\$ 2,701,557	\$ 6,752	\$ 13,507,787		
57	43	Jan-16	\$ 13,507,787	\$ 2,701,557	\$ 5,524	\$ 10,806,230		
58	44	Feb-16	\$ 10,806,230	\$ 2,701,557	\$ 4,297	\$ 8,104,672		
59	45	Mar-16	\$ 8,104,672	\$ 2,701,557	\$ 3,069	\$ 5,403,115		
60	46	Apr-16	\$ 5,403,115	\$ 2,701,557	\$ 1,841	\$ 2,701,557		
61	47	May-16	\$ 2,701,557	\$ 2,701,557	\$ 614	\$ 0		
62	48	Jun-16	\$ 0	\$ -	\$ 0	\$ 0		

Notes: 1) Monthly Amortizations = Amortization Balance Per Year / 12 Months (Adjusted for 47 month Amortization)

2) Interest = Average Monthly Balance * Interest Rate Per Month

Average Monthly Balance = (Prior Month Balance + Current Month Balance) / 2

Interest Rate Per Month = Interest Rate (After Tax) / 12 months

Settlement Schedule 2

Line No.					
1	Table 1	Projected Comprehensive Resource Analysis Program Expenditures June 2014 - May 2015			
2					
3		<u>Month</u>	<u>Projected Expenditure</u>		
4					
5		Jun-14	\$ 2,525,534		=Line 23
6		Jul-14	\$ 2,664,787		=Line 26
7		Aug-14	\$ 2,664,787		=Line 26
8		Sep-14	\$ 2,664,787		=Line 26
9		Oct-14	\$ 2,664,787		=Line 26
10		Nov-14	\$ 2,664,787		=Line 26
11		Dec-14	\$ 2,664,787		=Line 26
12		Jan-15	\$ 2,664,787		=Line 26
13		Feb-15	\$ 2,664,787		=Line 26
14		Mar-15	\$ 2,664,787		=Line 26
15		Apr-15	\$ 2,664,787		=Line 26
16		May-15	\$ 2,664,785		=Line 26
17					
18		<u>Total</u>	<u>\$ 31,838,189</u>		
19					
20					
21		<i>Per NJBPU EO11050324V Order dated 6/21/2013 FY2014 Annual Expenditure</i>	\$ 31,838,189		
22		<i>Less June 2014 directly from NJBPU EO11050324V Order</i>			
23		<i>dated June 21, 2013</i>	<u>\$ 2,525,534</u>		
24		Annual Funding Level Year 2014 less June 2014 above	\$ 29,312,655		=Line 21 - Line 23
25		Number of Months	11		
26		Monthly Funding Level for July 2014 to May 2015	\$ 2,664,787		=Line 24 / Line 25
27					
28					
29	Table 2	Clean Energy Program Funding Rate Design June 2014 - May 2015			
30					
31		Total Period Expenditures	\$ 31,838,189		=Line 18
32		Recovery of NJ Clean Energy Program Funding Deferral Balance	\$ (331,615)		Settlement Schedule 2, Page 2, Col 7 Row 17
33		Total Clean Energy Program Recovery	<u>\$ 31,506,574</u>		=Line 31 + Line 32
34		Projected Delivered Sales June 2014 - May 2015	9,114,607,148		
35		Clean Energy Program Funding Rate (\$/kWh)	\$ 0.003457		
36		BPU Assessment	\$ 0.000010		
37		Rate without SUT (\$/kWh)	\$ 0.003467		
38		Rate Including SUT (\$/kWh)	\$ 0.003709		

Settlement Schedule 3

Line No			
1	Projected Uncollectible Expense (June 2014 - May 2015)	\$ 13,416,362	Settlement Schedule 3, Page 4 Line 15
2			
3	Projected Over Recovered Balance At June 1, 2014	\$ (571,182)	Settlement Schedule 3 Page 2, Column 7 Line 17
4			
5	Annual Levelized Recovery at June 2014 Balance (Amortization ending May 2016)	\$ 2,802,888	Settlement Schedule 3 Page 3, Column 3 Line 11
6	Interest on UNC Balance being Amortized June 2014 - May 2015	<u>\$ 22,925</u>	Settlement Schedule 3 Page 3, Column 4 Line 11
7	Total Estimated Balance Recovery June 2014 - May 2015	<u>\$ 2,825,814</u>	
8			
9	Total Uncollectible Recovery	\$ 15,670,994	Line 1 + Line 3 + Line 7
10			
11	Projected Delivered Sales June 2014 - May 2015	9,114,607,148	
12	Uncollectible Rate (\$/kWh)	\$ 0.001719	
13	BPU/RPA Revenue Assessment	\$ 0.000005	
14	Final Uncollectible Rate (\$/kWh)	\$ 0.001724	
15	Final Uncollectible Rate including SUT (\$/kWh)	\$ 0.001845	

Atlantic City Electric Company
 Summary of Uncollectible Account Deferral
 Rates Effective For Period June 2014 - May 2015
 Updated for Actuals through March 2014

Line No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6a	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
	Month	Uncollectible Accounts Revenues	Uncollectible Accounts Expenses	Prior Period & Stipulated Adjustments Expenses Are (-)	Net Uncollectible Deferral	Pre-Tax Cumulative Deferral	Interest Refrayer	After-Tax Cumulative Deferral	After-Tax Average Monthly Balance	Annual Interest Rate	Interest		
1	Actual Apr-13	\$ 1,126,148	\$ 782,775	\$ (237,554)	\$ 105,819	\$ 2,354,512		\$ 1,392,694	\$ 1,361,398	0.35%	\$ 396		
2	Actual May-13	\$ 1,015,561	\$ 672,844	\$ (237,448)	\$ 105,269	\$ 2,459,781		\$ 1,454,960	\$ 1,423,927	0.30%	\$ 354		
3	Actual Jun-13	\$ 1,220,676	\$ 871,870	\$ (237,342)	\$ 111,464	\$ 2,571,245		\$ 1,520,892	\$ 1,487,926	0.28%	\$ 325		
4	Actual Jul-13	\$ 1,631,173	\$ 1,306,750	\$ (237,236)	\$ 87,187	\$ 2,658,433		\$ 1,573,463	\$ 1,546,677	0.26%	\$ 333		
5	Actual Aug-13	\$ 1,639,887	\$ 1,348,974	\$ (237,130)	\$ 53,783	\$ 2,714,656	\$ 2,440	\$ 1,605,719	\$ 1,588,091	0.26%	\$ 349		
6	Actual Sep-13	\$ 1,436,384	\$ 3,012,028	\$ (237,023)	\$ (1,812,667)	\$ 901,989		\$ 533,527	\$ 1,069,623	0.27%	\$ 239		
7	Actual Oct-13	\$ 1,131,409	\$ 995,314	\$ (236,917)	\$ (100,823)	\$ 801,166		\$ 473,890	\$ 503,708	0.32%	\$ 133		
8	Actual Nov-13	\$ 1,018,662	\$ 839,800	\$ (236,811)	\$ (57,949)	\$ 743,218		\$ 438,613	\$ 456,752	0.27%	\$ 102		
9	Actual Dec-13	\$ 1,175,527	\$ (594,776)	\$ (236,705)	\$ 1,533,598	\$ 2,276,815		\$ 1,346,736	\$ 853,175	0.27%	\$ 197		
10	Actual Jan-14	\$ 1,267,476	\$ 1,265,267	\$ (236,599)	\$ (234,391)	\$ 2,042,425		\$ 1,208,094	\$ 1,277,415	0.27%	\$ 285		
11	Actual Feb-14	\$ 1,231,135	\$ 1,280,398	\$ (236,493)	\$ (285,756)	\$ 1,756,669		\$ 1,039,069	\$ 1,123,582	0.26%	\$ 246		
12	Actual Mar-14	\$ 1,264,568	\$ 2,102,509	\$ (236,387)	\$ (1,074,327)	\$ 682,341		\$ 403,606	\$ 721,337	0.24%	\$ 145		
13	Projected Apr-14	\$ 1,061,701	\$ 889,973	\$ (236,280)	\$ (64,562)	\$ 617,789		\$ 365,422	\$ 364,513	0.24%	\$ 77		
14	Projected May-14	\$ 1,029,022	\$ 841,299	\$ (236,174)	\$ (48,452)	\$ 569,337		\$ 336,763	\$ 351,993	0.24%	\$ 71		
16	Total Interest Aug2013-May2014				\$	1,845		\$			\$		1,845
17	Total Over(Under) Recovered Balance					571,182							

Atlantic City Electric Company

Amortization of Under Recovered UNC Balances

Amortization for Period July 2012 to May 2016

Amortization Rate to be Effective For Period July 2012 - May 2016

Updated for Actuals through March 2014

Settlement Schedule 3

Page 3 of 4

Line						
1	Total Under Recovered UNC Balance	\$	10,977,980	Settlement ER12020173 Schedule 3 Page 3 of 4		
2						
3	Interest Rate (Pre-Tax)		0.92%	Settlement ER12020173 Schedule 3 Page 3 of 4		
4	Interest Rate (After-Tax)		0.55%	Settlement ER12020173 Schedule 3 Page 3 of 4		
5	Amortization Period (Years)		3.9	Settlement ER12020173 Schedule 3 Page 3 of 4		
6						
7						
8	UNC Annual Balance Per Year	\$	2,802,888	Settlement ER12020173 Schedule 3 Page 3 of 4		
9		Column Totals	\$ 10,977,980	\$	117,227	
10	Col. 1	Col. 2	To	Col. 3	Col. 4	Col. 5
11	June 2014 to May 2015 (Sum Line 38 to Line 49)		\$ 2,802,888	\$	22,925	
12						
13	Period	Month	Total Starting Balance	Total Monthly Amortization	Total Interest	Total Ending Balance
14		Deferral Starting Balance				\$ 10,977,980
15	1	Jul-12	\$ 10,977,980	\$ 233,574	\$ 4,935	\$ 10,744,406
16	2	Aug-12	\$ 10,744,406	\$ 233,574	\$ 4,829	\$ 10,510,832
17	3	Sep-12	\$ 10,510,832	\$ 233,574	\$ 4,723	\$ 10,277,258
18	4	Oct-12	\$ 10,277,258	\$ 233,574	\$ 4,617	\$ 10,043,683
19	5	Nov-12	\$ 10,043,683	\$ 233,574	\$ 4,511	\$ 9,810,109
20	6	Dec-12	\$ 9,810,109	\$ 233,574	\$ 4,405	\$ 9,576,535
21	7	Jan-13	\$ 9,576,535	\$ 233,574	\$ 4,298	\$ 9,342,961
22	8	Feb-13	\$ 9,342,961	\$ 233,574	\$ 4,192	\$ 9,109,387
23	9	Mar-13	\$ 9,109,387	\$ 233,574	\$ 4,086	\$ 8,875,813
24	10	Apr-13	\$ 8,875,813	\$ 233,574	\$ 3,980	\$ 8,642,239
25	11	May-13	\$ 8,642,239	\$ 233,574	\$ 3,874	\$ 8,408,665
26	12	Jun-13	\$ 8,408,665	\$ 233,574	\$ 3,768	\$ 8,175,091
27	13	Jul-13	\$ 8,175,091	\$ 233,574	\$ 3,662	\$ 7,941,517
28	14	Aug-13	\$ 7,941,517	\$ 233,574	\$ 3,556	\$ 7,707,943
29	15	Sep-13	\$ 7,707,943	\$ 233,574	\$ 3,449	\$ 7,474,369
30	16	Oct-13	\$ 7,474,369	\$ 233,574	\$ 3,343	\$ 7,240,795
31	17	Nov-13	\$ 7,240,795	\$ 233,574	\$ 3,237	\$ 7,007,221
32	18	Dec-13	\$ 7,007,221	\$ 233,574	\$ 3,131	\$ 6,773,647
33	19	Jan-14	\$ 6,773,647	\$ 233,574	\$ 3,025	\$ 6,540,073
34	20	Feb-14	\$ 6,540,073	\$ 233,574	\$ 2,919	\$ 6,306,499
35	21	Mar-14	\$ 6,306,499	\$ 233,574	\$ 2,813	\$ 6,072,925
36	22	Apr-14	\$ 6,072,925	\$ 233,574	\$ 2,706	\$ 5,839,351
37	23	May-14	\$ 5,839,351	\$ 233,574	\$ 2,600	\$ 5,605,777
38	24	Jun-14	\$ 5,605,777	\$ 233,574	\$ 2,494	\$ 5,372,203
39	25	Jul-14	\$ 5,372,203	\$ 233,574	\$ 2,388	\$ 5,138,629
40	26	Aug-14	\$ 5,138,629	\$ 233,574	\$ 2,282	\$ 4,905,055
41	27	Sep-14	\$ 4,905,055	\$ 233,574	\$ 2,176	\$ 4,671,481
42	28	Oct-14	\$ 4,671,481	\$ 233,574	\$ 2,070	\$ 4,437,907
43	29	Nov-14	\$ 4,437,907	\$ 233,574	\$ 1,964	\$ 4,204,333
44	30	Dec-14	\$ 4,204,333	\$ 233,574	\$ 1,857	\$ 3,970,759
45	31	Jan-15	\$ 3,970,759	\$ 233,574	\$ 1,751	\$ 3,737,185
46	32	Feb-15	\$ 3,737,185	\$ 233,574	\$ 1,645	\$ 3,503,611
47	33	Mar-15	\$ 3,503,611	\$ 233,574	\$ 1,539	\$ 3,270,036
48	34	Apr-15	\$ 3,270,036	\$ 233,574	\$ 1,433	\$ 3,036,462
49	35	May-15	\$ 3,036,462	\$ 233,574	\$ 1,327	\$ 2,802,888
50	36	Jun-15	\$ 2,802,888	\$ 233,574	\$ 1,221	\$ 2,569,314
51	37	Jul-15	\$ 2,569,314	\$ 233,574	\$ 1,114	\$ 2,335,740
52	38	Aug-15	\$ 2,335,740	\$ 233,574	\$ 1,008	\$ 2,102,166
53	39	Sep-15	\$ 2,102,166	\$ 233,574	\$ 902	\$ 1,868,592
54	40	Oct-15	\$ 1,868,592	\$ 233,574	\$ 796	\$ 1,635,018
55	41	Nov-15	\$ 1,635,018	\$ 233,574	\$ 690	\$ 1,401,444
56	42	Dec-15	\$ 1,401,444	\$ 233,574	\$ 584	\$ 1,167,870
57	43	Jan-16	\$ 1,167,870	\$ 233,574	\$ 478	\$ 934,296
58	44	Feb-16	\$ 934,296	\$ 233,574	\$ 371	\$ 700,722
59	45	Mar-16	\$ 700,722	\$ 233,574	\$ 265	\$ 467,148
60	46	Apr-16	\$ 467,148	\$ 233,574	\$ 159	\$ 233,574
61	47	May-16	\$ 233,574	\$ 233,574	\$ 53	\$ 0
62	48	Jun-16	\$ 0	\$ -	\$ 0	\$ 0

Notes: 1) Monthly Amortizations = Amortization Balance Per Year / 12 Months

2) Interest = Average Monthly Balance * Interest Rate Per Month

Average Monthly Balance = (Prior Month Balance + Current Month Balance) / 2

Interest Rate Per Month = Interest Rate (After Tax) / 12 months

Atlantic City Electric Company
 Uncollectible Charge Rate Design
 Rates Effective For Period June 2014 - May 2015
 Updated for Actuals through March 2014

Settlement Schedule 3
 Page 4 of 4

Forecasted Uncollectible Expense

Line No.	Month	Total Billed Revenues	Uncollectible Rate	Uncollectible Expense
1				
2	Jun-14	\$ 111,136,402	1.007%	\$ 1,119,144
3	Jul-14	\$ 150,039,851	1.007%	\$ 1,510,901
4	Aug-14	\$ 164,590,639	1.007%	\$ 1,657,428
5	Sep-14	\$ 145,648,005	1.007%	\$ 1,466,675
6	Oct-14	\$ 95,551,652	1.007%	\$ 962,205
7	Nov-14	\$ 87,566,859	1.007%	\$ 881,798
8	Dec-14	\$ 101,718,023	1.007%	\$ 1,024,300
9	Jan-15	\$ 107,837,574	1.007%	\$ 1,085,924
10	Feb-15	\$ 100,151,498	1.007%	\$ 1,008,526
11	Mar-15	\$ 96,206,087	1.007%	\$ 968,795
12	Apr-15	\$ 88,359,947	1.007%	\$ 889,785
13	May-15	\$ 83,503,469	1.007%	\$ 840,880
14				
15	Total Period			\$ 13,416,362

Settlement Schedule 4

Atlantic City Electric Company
 Summary of System Control Charge
 Rates Effective For Period June, 2014 - May 2015
 Updated for Actuals through March 2014

Line No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
		Month	Revenues	Expenses	Deferral	Pre-Tax Deferral Cumulative	Interest Rollover	After-Tax Deferral Cumulative	After-Tax Average Monthly Balance	Annual Interest Rate	Interest	
1	Actual	Apr-13	\$ 6,448	\$ 6,531	(183)	\$ 133,242	\$	\$ 78,813	\$ 78,867	0.35%	\$ 23	
2	Actual	May-13	\$ 5,644	\$ 41,442	(35,798)	\$ 97,444	\$	\$ 57,638	\$ 68,225	0.30%	\$ 17	
3	Actual	Jun-13	\$ 18,285	\$ 41,287	(23,002)	\$ 74,441	\$	\$ 44,032	\$ 50,835	0.26%	\$ 11	
4	Actual	Jul-13	\$ 36,392	\$ 47,870	(11,477)	\$ 62,964	\$	\$ 37,243	\$ 40,638	0.26%	\$ 9	
5	Actual	Aug-13	\$ 36,653	\$ 40,938	(4,245)	\$ 58,981	\$ 262	\$ 34,687	\$ 36,065	0.26%	\$ 8	
6	Actual	Sep-13	\$ 32,309	\$ (115)	\$ 32,424	\$ 91,405	\$	\$ 54,065	\$ 44,476	0.27%	\$ 10	
7	Actual	Oct-13	\$ 25,422	\$ 40,522	(15,100)	\$ 76,304	\$	\$ 45,134	\$ 49,600	0.32%	\$ 13	
8	Actual	Nov-13	\$ 22,815	\$ 13,378	\$ 9,436	\$ 85,741	\$	\$ 50,716	\$ 47,925	0.27%	\$ 11	
9	Actual	Dec-13	\$ 26,154	\$ 6,881	\$ 19,273	\$ 105,014	\$	\$ 62,116	\$ 56,416	0.27%	\$ 12	
10	Actual	Jan-14	\$ 28,684	\$ 6,890	\$ 21,994	\$ 127,008	\$	\$ 75,125	\$ 68,620	0.27%	\$ 15	
11	Actual	Feb-14	\$ 27,571	\$ 6,824	\$ 20,947	\$ 147,955	\$	\$ 87,516	\$ 81,320	0.26%	\$ 18	
12	Actual	Mar-14	\$ 28,296	\$ 6,756	\$ 21,540	\$ 169,495	\$	\$ 100,256	\$ 93,886	0.24%	\$ 19	
13	Projected	Apr-14	\$ 23,052	\$ 6,003	\$ 17,049	\$ 186,544	\$	\$ 110,341	\$ 105,299	0.24%	\$ 21	
14	Projected	May-14	\$ 22,342	\$ 6,003	\$ 16,339	\$ 202,883	\$	\$ 120,005	\$ 115,173	0.24%	\$ 23	
15												
16	Total Interest	Aug2013-May2014				\$ 151				\$		
17	Total Over/(Under) Recovered	Balance				\$ 203,033				\$		

Settlement Schedule 5

Annualized

Proposed Rates

Present Rates (Effective Date - June 1, 2013)

Rate Class	Annualized Sales @ Customer (kWh)	NGC		Clean Energy		NGC		Clean Energy		NGC		Overall Rate Change		System Control Charge		Overall Revenue Change	
		\$		\$		\$		\$		\$		\$		\$		\$	
RS	4,160,349,539	\$ 0.016730	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ (0.004556)	\$ -	\$ 465,020	\$ (158,114)	\$ (18,957,013)
MGS Secondary	1,173,553,842	\$ 0.016730	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ (0.004556)	\$ -	\$ 131,438	\$ (44,595)	\$ (5,346,711)
MGS Primary	19,302,155	\$ 0.016237	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.011914	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.011914	\$ 0.003709	\$ 0.001845	\$ (0.004383)	\$ -	\$ 2,162	\$ (733)	\$ (84,601)
AGS Secondary	1,936,572,277	\$ 0.016730	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ (0.004386)	\$ -	\$ 216,696	\$ (73,580)	\$ (8,823,023)
AGS Primary	569,879,600	\$ 0.016237	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.011914	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.011914	\$ 0.003709	\$ 0.001845	\$ (0.004383)	\$ -	\$ 63,694	\$ (21,648)	\$ (2,496,906)
TGS	1,167,046,235	\$ 0.015968	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.011663	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.011663	\$ 0.003709	\$ 0.001845	\$ (0.004265)	\$ -	\$ 130,709	\$ (44,348)	\$ (4,977,452)
SFJCSL	76,118,221	\$ 0.016730	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ (0.004556)	\$ -	\$ 8,413	\$ (2,854)	\$ (342,239)
DDC	12,445,278	\$ 0.016730	\$ 0.003843	\$ 0.061733	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ 0.001845	\$ 0.012234	\$ 0.003709	\$ 0.001845	\$ (0.004556)	\$ -	\$ 1,394	\$ (473)	\$ (56,701)
Total	9,114,607,148														\$ 1,020,635	\$ (346,355)	\$ (41,084,646)

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

Settlement Schedule 5
Page 2 of 4

Present Rates
vs.
Proposed Rates with NGC/SBC/SCC Adjustments Effective June 01, 2014

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference Delivery (\$)	Difference Supply+T (\$)	Total Difference (\$)	(%)
0	\$ 3.00	\$ -	\$ 3.00	\$ 3.00	\$ -	\$ 3.00	\$ -	\$ -	\$ -	0.00%
25	\$ 4.85	\$ 1.97	\$ 6.82	\$ 4.74	\$ 1.97	\$ 6.71	\$ (0.11)	\$ -	\$ (0.11)	-1.61%
50	\$ 6.70	\$ 3.94	\$ 10.64	\$ 6.47	\$ 3.94	\$ 10.41	\$ (0.23)	\$ -	\$ (0.23)	-2.18%
75	\$ 8.55	\$ 5.90	\$ 14.45	\$ 8.21	\$ 5.90	\$ 14.11	\$ (0.34)	\$ -	\$ (0.34)	-2.35%
100	\$ 10.40	\$ 7.87	\$ 18.27	\$ 9.94	\$ 7.87	\$ 17.81	\$ (0.46)	\$ -	\$ (0.46)	-2.52%
150	\$ 14.09	\$ 11.81	\$ 25.90	\$ 13.41	\$ 11.81	\$ 25.22	\$ (0.68)	\$ -	\$ (0.68)	-2.63%
200	\$ 17.79	\$ 15.75	\$ 33.54	\$ 16.88	\$ 15.75	\$ 32.63	\$ (0.91)	\$ -	\$ (0.91)	-2.71%
250	\$ 21.49	\$ 19.68	\$ 41.17	\$ 20.35	\$ 19.68	\$ 40.03	\$ (1.14)	\$ -	\$ (1.14)	-2.77%
300	\$ 25.19	\$ 23.62	\$ 48.81	\$ 23.82	\$ 23.62	\$ 47.44	\$ (1.37)	\$ -	\$ (1.37)	-2.81%
350	\$ 28.89	\$ 27.56	\$ 56.45	\$ 27.29	\$ 27.56	\$ 54.85	\$ (1.60)	\$ -	\$ (1.60)	-2.83%
400	\$ 32.58	\$ 31.49	\$ 64.07	\$ 30.76	\$ 31.49	\$ 62.25	\$ (1.82)	\$ -	\$ (1.82)	-2.84%
450	\$ 36.28	\$ 35.43	\$ 71.71	\$ 34.23	\$ 35.43	\$ 69.66	\$ (2.05)	\$ -	\$ (2.05)	-2.86%
500	\$ 39.98	\$ 39.35	\$ 79.34	\$ 37.70	\$ 39.35	\$ 77.06	\$ (2.28)	\$ -	\$ (2.28)	-2.87%
650	\$ 51.08	\$ 51.17	\$ 102.25	\$ 48.11	\$ 51.17	\$ 99.28	\$ (2.97)	\$ -	\$ (2.97)	-2.90%
700	\$ 54.77	\$ 55.11	\$ 109.88	\$ 51.58	\$ 55.11	\$ 106.69	\$ (3.19)	\$ -	\$ (3.19)	-2.90%
750	\$ 58.47	\$ 59.05	\$ 117.52	\$ 55.05	\$ 59.05	\$ 114.10	\$ (3.42)	\$ -	\$ (3.42)	-2.91%
800	\$ 62.17	\$ 62.98	\$ 125.15	\$ 58.52	\$ 62.98	\$ 121.50	\$ (3.65)	\$ -	\$ (3.65)	-2.92%
900	\$ 69.57	\$ 70.86	\$ 140.43	\$ 65.47	\$ 70.86	\$ 136.33	\$ (4.10)	\$ -	\$ (4.10)	-2.92%
1000	\$ 76.96	\$ 78.73	\$ 155.69	\$ 72.41	\$ 78.73	\$ 151.14	\$ (4.55)	\$ -	\$ (4.55)	-2.92%
1200	\$ 91.75	\$ 94.47	\$ 186.22	\$ 86.29	\$ 94.47	\$ 180.76	\$ (5.46)	\$ -	\$ (5.46)	-2.93%
1500	\$ 113.94	\$ 118.09	\$ 232.03	\$ 107.11	\$ 118.09	\$ 225.20	\$ (6.83)	\$ -	\$ (6.83)	-2.94%
2000	\$ 150.92	\$ 157.46	\$ 308.38	\$ 141.81	\$ 157.46	\$ 299.27	\$ (9.11)	\$ -	\$ (9.11)	-2.95%
2500	\$ 187.91	\$ 196.82	\$ 384.73	\$ 176.52	\$ 196.82	\$ 373.34	\$ (11.39)	\$ -	\$ (11.39)	-2.96%
3000	\$ 224.89	\$ 236.19	\$ 461.08	\$ 211.22	\$ 236.19	\$ 447.41	\$ (13.67)	\$ -	\$ (13.67)	-2.96%
3500	\$ 261.87	\$ 275.55	\$ 537.42	\$ 245.92	\$ 275.55	\$ 521.47	\$ (15.95)	\$ -	\$ (15.95)	-2.97%
4000	\$ 298.85	\$ 314.92	\$ 613.77	\$ 280.62	\$ 314.92	\$ 595.54	\$ (18.23)	\$ -	\$ (18.23)	-2.97%

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

Present Rates
vs.
Proposed Rates with NGC/SBC/SCC Adjustments Effective June 01, 2014

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference		Total Difference	
							Delivery (\$)	Supply+T (\$)	(\$)	(%)
0	\$ 3.00	\$ -	\$ 3.00	\$ 3.00	\$ -	\$ 3.00	\$ -	\$ -	\$ -	0.00%
25	\$ 4.93	\$ 2.90	\$ 7.83	\$ 4.82	\$ 2.90	\$ 7.72	\$ (0.11)	\$ -	\$ (0.11)	-1.40%
50	\$ 6.86	\$ 5.80	\$ 12.66	\$ 6.63	\$ 5.80	\$ 12.43	\$ (0.23)	\$ -	\$ (0.23)	-1.82%
75	\$ 8.79	\$ 8.70	\$ 17.49	\$ 8.45	\$ 8.70	\$ 17.15	\$ (0.34)	\$ -	\$ (0.34)	-1.94%
100	\$ 10.72	\$ 11.60	\$ 22.32	\$ 10.26	\$ 11.60	\$ 21.86	\$ (0.46)	\$ -	\$ (0.46)	-2.06%
150	\$ 14.58	\$ 17.41	\$ 31.99	\$ 13.89	\$ 17.41	\$ 31.30	\$ (0.69)	\$ -	\$ (0.69)	-2.16%
200	\$ 18.43	\$ 23.21	\$ 41.64	\$ 17.52	\$ 23.21	\$ 40.73	\$ (0.91)	\$ -	\$ (0.91)	-2.19%
250	\$ 22.29	\$ 29.01	\$ 51.30	\$ 21.15	\$ 29.01	\$ 50.16	\$ (1.14)	\$ -	\$ (1.14)	-2.22%
300	\$ 26.15	\$ 34.81	\$ 60.96	\$ 24.78	\$ 34.81	\$ 59.59	\$ (1.37)	\$ -	\$ (1.37)	-2.25%
350	\$ 30.01	\$ 40.61	\$ 70.62	\$ 28.42	\$ 40.61	\$ 69.03	\$ (1.59)	\$ -	\$ (1.59)	-2.25%
400	\$ 33.87	\$ 46.41	\$ 80.28	\$ 32.05	\$ 46.41	\$ 78.46	\$ (1.82)	\$ -	\$ (1.82)	-2.27%
450	\$ 37.73	\$ 52.22	\$ 89.95	\$ 35.68	\$ 52.22	\$ 87.90	\$ (2.05)	\$ -	\$ (2.05)	-2.28%
500	\$ 41.59	\$ 58.02	\$ 99.61	\$ 39.31	\$ 58.02	\$ 97.33	\$ (2.28)	\$ -	\$ (2.28)	-2.28%
650	\$ 53.16	\$ 75.42	\$ 128.58	\$ 50.20	\$ 75.42	\$ 125.62	\$ (2.96)	\$ -	\$ (2.96)	-2.30%
700	\$ 57.02	\$ 81.22	\$ 138.24	\$ 53.83	\$ 81.22	\$ 135.05	\$ (3.19)	\$ -	\$ (3.19)	-2.31%
750	\$ 60.88	\$ 87.03	\$ 147.91	\$ 57.46	\$ 87.03	\$ 144.49	\$ (3.42)	\$ -	\$ (3.42)	-2.31%
800	\$ 65.05	\$ 93.30	\$ 158.35	\$ 61.40	\$ 93.30	\$ 154.70	\$ (3.65)	\$ -	\$ (3.65)	-2.31%
900	\$ 73.39	\$ 105.84	\$ 179.23	\$ 69.29	\$ 105.84	\$ 175.13	\$ (4.10)	\$ -	\$ (4.10)	-2.29%
1000	\$ 81.73	\$ 118.38	\$ 200.11	\$ 77.17	\$ 118.38	\$ 195.55	\$ (4.56)	\$ -	\$ (4.56)	-2.28%
1200	\$ 98.40	\$ 143.47	\$ 241.87	\$ 92.94	\$ 143.47	\$ 236.41	\$ (5.46)	\$ -	\$ (5.46)	-2.26%
1500	\$ 123.42	\$ 181.10	\$ 304.52	\$ 116.59	\$ 181.10	\$ 297.69	\$ (6.83)	\$ -	\$ (6.83)	-2.24%
2000	\$ 165.11	\$ 243.82	\$ 408.93	\$ 156.00	\$ 243.82	\$ 399.82	\$ (9.11)	\$ -	\$ (9.11)	-2.23%
2500	\$ 206.81	\$ 306.54	\$ 513.35	\$ 195.42	\$ 306.54	\$ 501.96	\$ (11.39)	\$ -	\$ (11.39)	-2.22%
3000	\$ 248.50	\$ 369.26	\$ 617.76	\$ 234.83	\$ 369.26	\$ 604.09	\$ (13.67)	\$ -	\$ (13.67)	-2.21%
3500	\$ 290.20	\$ 431.98	\$ 722.18	\$ 274.25	\$ 431.98	\$ 706.23	\$ (15.95)	\$ -	\$ (15.95)	-2.21%
4000	\$ 331.89	\$ 494.70	\$ 826.59	\$ 313.67	\$ 494.70	\$ 808.37	\$ (18.22)	\$ -	\$ (18.22)	-2.20%

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

Present Rates
vs.

Proposed Rates with NGC/SBC/SCC Adjustments Effective June 01, 2014

Monthly Usage (kWh)	Present Delivery	Present Supply+T	Present Total	New Delivery	New Supply+T	New Total	Difference		Total Difference	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(%)
0	\$ 3.00	\$ -	\$ 3.00	\$ 3.00	\$ -	\$ 3.00	\$ -	\$ -	\$ -	0.00%
25	\$ 4.88	\$ 2.28	\$ 7.16	\$ 4.77	\$ 2.28	\$ 7.05	\$ (0.11)	\$ -	\$ (0.11)	-1.54%
50	\$ 6.75	\$ 4.56	\$ 11.31	\$ 6.52	\$ 4.56	\$ 11.08	\$ (0.23)	\$ -	\$ (0.23)	-2.03%
75	\$ 8.63	\$ 6.83	\$ 15.46	\$ 8.29	\$ 6.83	\$ 15.12	\$ (0.34)	\$ -	\$ (0.34)	-2.20%
100	\$ 10.51	\$ 9.11	\$ 19.62	\$ 10.05	\$ 9.11	\$ 19.16	\$ (0.46)	\$ -	\$ (0.46)	-2.34%
150	\$ 14.25	\$ 13.68	\$ 27.93	\$ 13.57	\$ 13.68	\$ 27.25	\$ (0.68)	\$ -	\$ (0.68)	-2.43%
200	\$ 18.00	\$ 18.24	\$ 36.24	\$ 17.09	\$ 18.24	\$ 35.33	\$ (0.91)	\$ -	\$ (0.91)	-2.51%
250	\$ 21.76	\$ 22.79	\$ 44.55	\$ 20.62	\$ 22.79	\$ 43.41	\$ (1.14)	\$ -	\$ (1.14)	-2.56%
300	\$ 25.51	\$ 27.35	\$ 52.86	\$ 24.14	\$ 27.35	\$ 51.49	\$ (1.37)	\$ -	\$ (1.37)	-2.59%
350	\$ 29.26	\$ 31.91	\$ 61.17	\$ 27.67	\$ 31.91	\$ 59.58	\$ (1.59)	\$ -	\$ (1.59)	-2.60%
400	\$ 33.01	\$ 36.46	\$ 69.47	\$ 31.19	\$ 36.46	\$ 67.65	\$ (1.82)	\$ -	\$ (1.82)	-2.62%
450	\$ 36.76	\$ 41.03	\$ 77.79	\$ 34.71	\$ 41.03	\$ 75.74	\$ (2.05)	\$ -	\$ (2.05)	-2.64%
500	\$ 40.52	\$ 45.58	\$ 86.10	\$ 38.24	\$ 45.58	\$ 83.82	\$ (2.28)	\$ -	\$ (2.28)	-2.65%
650	\$ 51.77	\$ 59.25	\$ 111.02	\$ 48.81	\$ 59.25	\$ 108.06	\$ (2.96)	\$ -	\$ (2.96)	-2.67%
700	\$ 55.52	\$ 63.81	\$ 119.33	\$ 52.33	\$ 63.81	\$ 116.14	\$ (3.19)	\$ -	\$ (3.19)	-2.67%
750	\$ 59.27	\$ 68.38	\$ 127.65	\$ 55.85	\$ 68.38	\$ 124.23	\$ (3.42)	\$ -	\$ (3.42)	-2.68%
800	\$ 63.13	\$ 73.09	\$ 136.22	\$ 59.48	\$ 73.09	\$ 132.57	\$ (3.65)	\$ -	\$ (3.65)	-2.68%
900	\$ 70.84	\$ 82.52	\$ 153.36	\$ 66.74	\$ 82.52	\$ 149.26	\$ (4.10)	\$ -	\$ (4.10)	-2.67%
1000	\$ 78.55	\$ 91.95	\$ 170.50	\$ 74.00	\$ 91.95	\$ 165.95	\$ (4.55)	\$ -	\$ (4.55)	-2.67%
1200	\$ 93.97	\$ 110.80	\$ 204.77	\$ 88.51	\$ 110.80	\$ 199.31	\$ (5.46)	\$ -	\$ (5.46)	-2.67%
1500	\$ 117.10	\$ 139.09	\$ 256.19	\$ 110.27	\$ 139.09	\$ 249.36	\$ (6.83)	\$ -	\$ (6.83)	-2.67%
2000	\$ 155.65	\$ 186.25	\$ 341.90	\$ 146.54	\$ 186.25	\$ 332.79	\$ (9.11)	\$ -	\$ (9.11)	-2.66%
2500	\$ 194.21	\$ 233.39	\$ 427.60	\$ 182.82	\$ 233.39	\$ 416.21	\$ (11.39)	\$ -	\$ (11.39)	-2.66%
3000	\$ 232.76	\$ 280.55	\$ 513.31	\$ 219.09	\$ 280.55	\$ 499.64	\$ (13.67)	\$ -	\$ (13.67)	-2.66%
3500	\$ 271.31	\$ 327.69	\$ 599.00	\$ 255.36	\$ 327.69	\$ 583.05	\$ (15.95)	\$ -	\$ (15.95)	-2.66%
4000	\$ 309.86	\$ 374.85	\$ 684.71	\$ 291.64	\$ 374.85	\$ 666.49	\$ (18.22)	\$ -	\$ (18.22)	-2.66%

Settlement Schedule 6

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)

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

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

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

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

<u>Rate Schedule</u>	<u>Total NGC</u>
RS	\$ 0.012234
MGS Secondary	\$ 0.012234
MGS Primary	\$ 0.011914
AGS Secondary	\$ 0.012234
AGS Primary	\$ 0.011914
TGS	\$ 0.011663
SPL/CSL	\$ 0.012234
DDC	\$ 0.012234

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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)

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	\$0.003709 per kWh
Uncollectible Accounts	\$0.001845 per kWh
Universal Service Fund	\$0.002282 per kWh
Lifeline	\$0.000886 per kWh

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RIDER (BGS) continued
Basic Generation Service (BGS)

CIEP Standby Fee \$0.000161 per kWh

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

Transmission Enhancement Charge

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

	Rate Class							DDC
	RS	MGS Secondary	MGS Primary	AGS Secondary	AGS Primary	TGS	SPL/CSL	
VEPCo	0.000314	0.000253	0.000256	0.000180	0.000139	0.000114	-	0.000116
TrAILCo	0.000486	0.000392	0.000397	0.000278	0.000178	0.000215	-	0.000179
PSE&G	0.000494	0.000398	0.000404	0.000284	0.000218	0.000181	-	0.000182
PATH	0.000095	0.000077	0.000078	0.000055	0.000043	0.000035	-	0.000035
PPL	0.000103	0.000082	0.000083	0.000059	0.000045	0.000037	-	0.000037
Pepco	0.000064	0.000051	0.000052	0.000036	0.000028	0.000024	-	0.000024
Delmarva AEP - East	0.000027	0.000021	0.000021	0.000015	0.000012	0.000010	-	0.000010
	0.000013	0.000011	0.000011	0.000007	0.000004	0.000005	-	0.000004
Total	0.001601	0.001288	0.001306	0.000916	0.000669	0.000622	-	0.000588

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