



Agenda Date: 9/22/17
Agenda Item: 2C

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

ENERGY

IN THE MATTER OF THE APPLICATION OF)
ATLANTIC CITY ELECTRIC COMPANY TO ADJUST)
THE LEVEL OF ITS "RIDER RGGI" RATE)
ASSOCIATED WITH ITS SOLAR RENEWABLE)
ENERGY CERTIFICATE FINANCING PROGRAM)
(2017))
ORDER APPROVING)
STIPULATION)
DOCKET NO. ER17040357)

Parties of Record:

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

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers a Stipulation of Settlement ("Stipulation") with respect to the verified petition filed by Atlantic City Electric Company ("ACE" or "Company") on April 7, 2017 ("2017 Petition") requesting approval of an increase in its Regional Greenhouse Gas Initiative Recovery Charge Rider ("Rider RGGI") to recover costs incurred in its Solar Renewable Energy Certificate ("SREC") Financing Program ("SREC Financing Program").

BACKGROUND AND PROCEDURAL HISTORY

By Order dated August 7, 2008, the Board directed Jersey Central Power & Light Company ("JCP&L") and ACE to file, by September 30, 2008, a solar financing program based on SRECs, utilizing and incorporating certain mandatory design and filing requirements. On October 1, 2008, ACE filed a proposed SREC financing program assigned to BPU Docket No. EO08100875.

ACE, JCP&L, Board Staff ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel"), and the Solar Alliance ("SA") considered the ACE and JCP&L filings in the course of 11 settlement meetings held between February and March 2009. Over the course of those settlement discussions, the ACE and JCP&L proposals were incorporated into a single program, which included a cost recovery mechanism and incentives. ACE, JCP&L, Staff, and SA executed a stipulation on March 13, 2009 (the "March 2009 Stipulation"). Rate Counsel was

also a signatory to the March 2009 Stipulation, but reserved its right to contest three specific issues. By Order dated March 27, 2009 (the "March 2009 Order"), the Board approved the March 2009 Stipulation and decided the contested issues. Among other things, the March 2009 Order approved the recovery of costs through an SREC Financing Program rate component of the Rider RGGI equal to a per kWh charge applicable to all customers. As net program costs for the first year of the program were uncertain, the March 2009 Order required that ACE's Rider RGGI rate component for this program be set at zero (\$0.0000 per kWh).

On May 8, 2009, Rate Counsel filed a Notice of Appeal with the Superior Court of New Jersey, Appellate Division regarding the additional recoveries portion of the contested issues. On July 29, 2009, ACE, JCP&L, the Board Staff, and Rate Counsel entered into a further stipulation of settlement with respect to the contested issues (the "Stipulation on Appeal"). By Order dated September 16, 2009, the Board modified its March 2009 Order to reflect the terms of the Stipulation on Appeal. Rate Counsel withdrew its appeal on September 23, 2009.

By Order¹ dated December 18, 2013, the Board approved an SREC Financing Program component of the Rider RGGI rate of \$0.000610 per kWh (including Sales and Use Tax ("SUT")). By Order² dated November 15, 2015, the Board approved an SREC Financing Program component of the Rider RGGI rate of \$0.000824 per kWh including SUT. By Order³ dated November 7, 2016, the Board approved an SREC Financing Program component of the Rider RGGI rate of \$0.000567 per kWh, including SUT which was further reduced to reflect a change in the applicable SUT to the current rate of \$0.000566 per kWh.

2017 Petition

By petition dated April 7, 2017, ACE filed the 2017 Petition seeking Board authorization to adjust the level of the Rider RGGI charge associated with ACE's SREC Financing Program rate component. Based on actual program costs through February 2017, and forecasted costs from March 2017 through August 2018, ACE proposed to recover approximately \$3.19 million of costs associated with the SREC Financing Program. ACE requested that the Board approve its request to adjust the SREC Financing Program component of its Rider RGGI rate from the current per kWh charge of \$0.000566 to \$0.000387, or an approximate \$1.43 million decrease over the current level of revenues being recovered for the SREC Financing Program.

In response to discovery, the Company updated the revenue requirement to reflect updated program data through June 30, 2017. The net effect of the updated data would modify the amount to be recovered through the Rider RGGI for this program to approximately \$3.23 million.

¹ In re Atlantic City Electric Company's Annual Filing to Set the Level of its "Rider RGGI" Rate Associated with its Solar Renewable Energy Certificate Financing Program AND In re Atlantic City Electric Company Renewable Energy Portfolio Standard-Amendments to the Minimum Filing Requirements for Energy Efficiency, Renewable Energy and Conservation Programs; and for Electric Distribution Company Submittals of Filings in Connection with Solar Financing, BPU Docket Nos. EO13030241 and EO12040312 (December 18, 2013).

² In re the Application of Atlantic City Electric Company to Adjust the Level of its "Rider RGGI" Rate Associated with its Solar Renewable Energy Certificate Financing Program (2015), BPU Docket No. EO15050505 (November 16, 2015).

³ In re the Application of Atlantic City Electric Company to Adjust the Level of its "Rider RGGI" Rate Associated with its Solar Renewable Energy Certificate Financing Program (2016), BPU Docket No. ER16050402 (November 30, 2016).

The updated data had the effect of increasing the requested SREC Financing Program component of its Rider RGGI rate to \$0.000392 per kWh, which is still a decrease from the current rate.

STIPULATION

Following a review of the petition and conducting discovery, the Company, Staff and Rate Counsel (collectively, the "Parties"), executed the Stipulation which resolves all factual and legal issues pertaining to the 2017 Petition. The Parties have agreed to the following salient terms:⁴

1. The Parties agree that the actual SREC Financing Program costs incurred through June 30, 2017, as shown in the Updated Exhibit B to the 2017 Petition, a copy of which is attached to the Stipulation as Attachment 1, have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future proceedings.
2. The Parties agree that the proposed SREC Financing Program component of the Rider RGGI rate should be set at \$0.000392 per kWh, inclusive of SUT, resulting in a rate decrease on a typical residential customer using 716 kWh per month of \$0.13 or a 0.10 percent decrease below the rate currently in effect, and that such decrease is consistent with the terms and conditions of the Board's Orders, and therefore should be approved by the Board. The charge of \$0.000392 per kWh, inclusive of SUT, is based on an annual revenue requirement of \$3,231,051 as shown in Attachment 1 of the Stipulation. This revenue requirement reflects actual results through June 30, 2017 and projected results through August 31, 2018, and includes: a) a projected revenue requirement of \$2,954,151 for the forecasted period of September 2017 through August 2018; b) a deferred balance through August 31, 2017 of \$270,015; and c) interest from January 1, 2017 through August 31, 2017 of \$6,885. The charge of \$0.000392 per kWh, inclusive of SUT, also incorporates the methodology which utilizes the average of the three most recent actual SREC auction prices.
3. The Company will submit updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket conforming to the agreed upon rates and terms set-forth in the Stipulation or on such other schedule as the Board shall determine. The proposed tariff sheets are attached to the Stipulation as Attachment 2.
4. The Parties acknowledge and agree that adoption by the Board of the Stipulation fully resolves the 2017 SREC Petition.

DISCUSSION AND FINDING

The Board has carefully reviewed the record in this matter including the 2017 Petition and the Stipulation. The Board is persuaded that the costs through June 2017 as shown on Attachment

⁴ 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.

1 to the Stipulation have been reviewed and deemed to be reasonable and prudent. Accordingly, the Board **HEREBY FINDS** the Stipulation to be 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.

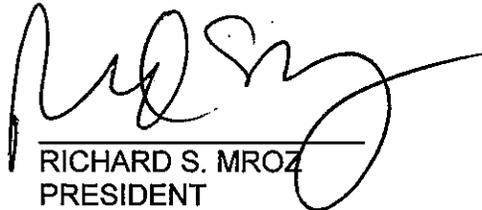
The Board **HEREBY APPROVES** a decrease in the SREC Financing Program component of ACE's RGGI Recovery Charge to \$0.000392 per kWh, including SUT effective for service rendered on or after October 1, 2017. As a result, a typical residential customer using approximately 716 kWh per month will see a decrease of \$0.13 or 0.10% on a total monthly bill.

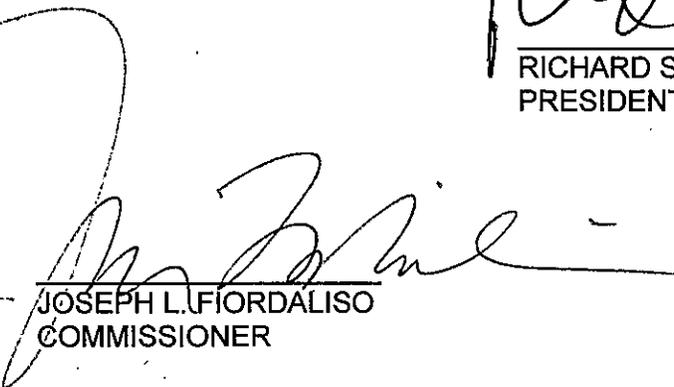
The Board **HEREBY ORDERS** ACE to file revised tariff sheets in compliance with the terms and conditions of the Stipulation prior to October 1, 2017.

This Board Order shall be effective as of September 30, 2017.

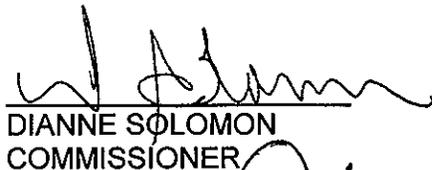
DATED: 9/22/17

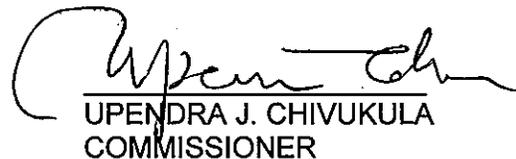
BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT

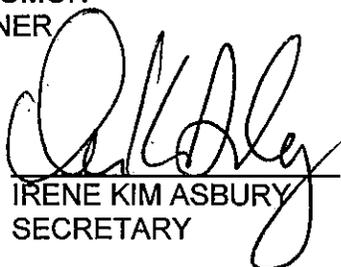

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

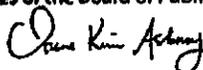

DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:


IRENE KIM ASBURY
SECRETARY

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



**IN THE MATTER OF THE APPLICATION OF ATLANTIC CITY ELECTRIC COMPANY TO
ADJUST THE LEVEL OF ITS "RIDER RGGI" RATE ASSOCIATED WITH ITS SOLAR
RENEWABLE ENERGY CERTIFICATE FINANCING PROGRAM (2017)
BPU Docket No. ER17040357**

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August 17, 2017

**VIA FEDERAL EXPRESS and
ELECTRONIC MAIL**

irene.asbury@bpu.nj.gov
board.secretary@bpu.nj.gov

Irene Kim Asbury, Esquire
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

**RE: In the Matter of the Application of Atlantic City Electric Company to Adjust the
Level of Its "Rider RGGI" Rate Associated with Its Solar Renewable Energy
Certificate Financing Program (2017)
BPU Docket No. ER17040357**

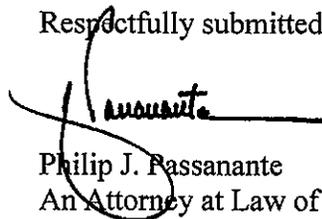
Dear Secretary Asbury:

Enclosed herewith for filing are an original and ten (10) conformed copies of a fully executed Stipulation of Settlement (the "Stipulation") in connection with the above-referenced matter. It is Atlantic City Electric Company's understanding that the Stipulation will be placed on the agenda for consideration at the regular meeting currently scheduled for Friday, September 22, 2017.

Please return one date-stamped and "filed" copy of this cover letter and the Stipulation in the pre-addressed, postage-prepaid envelope provided.

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,


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

Enclosure
cc: Service List

**IN THE MATTER OF THE APPLICATION
OF ATLANTIC CITY ELECTRIC
COMPANY TO ADJUST THE LEVEL OF
ITS "RIDER RGGI" RATE ASSOCIATED
WITH ITS SOLAR RENEWABLE ENERGY
CERTIFICATE FINANCING PROGRAM
(2017)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
STIPULATION OF SETTLEMENT
BPU DOCKET NO. ER17040357**

APPEARANCES:

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

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

Felicia Thomas-Friel, Esq., Deputy Rate Counsel, and Sarah Steindel, Esq., Assistant Deputy Rate Counsel, on behalf of the New Jersey Division of Rate Counsel (Stefanie A. Brand, Director).

This Stipulation of Settlement ("Stipulation") is hereby made and executed as of this 16th day of August, 2017, by and among Atlantic City Electric Company ("ACE" or the "Company"), the Staff of the New Jersey Board of Public Utilities ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (individually, a "Party" and collectively, the "Parties"), in settlement of all factual and legal issues pertaining to the above captioned Verified Petition and SREC Financing Program Update filed by the Company on or about April 6, 2017 (BPU Docket No. ER17040357) (the "2017 SREC Petition"). The 2017 SREC Petition was filed in response to the New Jersey Board of Public Utilities' (the "Board" or "BPU") Orders dated March 27, 2009 and September 16, 2009 (the "Orders") issued under BPU Docket No. EO08100875.

BACKGROUND

By Order dated August 7, 2008 (the "August 2008 Order"), the Board directed Jersey Central Power & Light Company ("JCP&L") and ACE to file, by September 30, 2008, a solar financing program based on Solar Renewable Energy Certificates ("SRECs"), utilizing and incorporating certain mandatory design and filing requirements. On October 1, 2008, ACE filed a proposed SREC financing program (the "SREC Financing Program") in connection with BPU Docket No. EO08100875. ACE, JCP&L, Board Staff, Rate Counsel, and the Solar Alliance ("SA") considered the ACE and JCP&L filings in the course of 11 settlement meetings held between February and March 2009. Over the course of those settlement discussions, the ACE and JCP&L proposals were incorporated into a single SREC Financing Program, which included a cost recovery mechanism and incentives. ACE, JCP&L, Staff, and SA executed a stipulation of settlement on March 13, 2009 (the "2009 Stipulation"). Rate Counsel was also a signatory to the 2009 Stipulation, but reserved its right to contest three specific issues. By Order dated March 27, 2009 (the "March 2009 Order"), the Board approved the 2009 Stipulation and decided the contested issues. On May 8, 2009, Rate Counsel filed a Notice of Appeal with the Superior Court of New Jersey, Appellate Division regarding the additional recoveries portion of the contested issues. On July 29, 2009, ACE, JCP&L, the Board, and Rate Counsel entered into a further Stipulation of Settlement with respect to the contested issues ("Stipulation on Appeal"). By Order dated September 16, 2009, the Board modified its March 2009 Order to reflect the terms of the Stipulation on Appeal. Rate Counsel withdrew its appeal on September 23, 2009. The Order required that ACE's Regional Greenhouse Gas Initiative Recovery Charge ("Rider RGGI") charge for the initial year be set at zero.

On or about April 12, 2012, ACE filed a Verified Petition (the “April 2012 SREC Petition”) seeking a Board Order authorizing ACE to implement recovery of the costs associated with the SREC Financing Program from the commencement of the program through March 31, 2012, pursuant to the cost recovery mechanism approved in the March 27, 2009 and September 16, 2009 Board Orders. That proceeding was docketed as BPU Docket No. EO12040312. Additionally, ACE sought amendments to the Company’s Rider RGGI associated with that program.

By Petition dated March 21, 2013 (the “March 2013 SREC Petition”), ACE sought authorization to implement recovery of the costs associated with the SREC Financing Program and updated the April 2012 SREC Petition in BPU Docket No. EO13030241.¹ By Stipulation dated on or about December 3, 2013 (the “2013 SREC Stipulation”), the Parties recommended to the Board that the Company’s April 2012 SREC Petition, as updated by the Company’s March 2013 SREC Petition, be approved. By Order dated December 18, 2013, the Board approved the 2013 SREC Stipulation, which established an SREC Financing Program component of the Rider RGGI charge of \$0.000610 per kwh, inclusive of Sales and Use Tax (“SUT”).

On or about May 1, 2015 (the “2015 SREC Petition”), the Company sought to update its SREC Financing Program’s costs, and increase the level of the SREC Financing Program component of the Rider RGGI charge. By Stipulation executed by the Parties on October 29, 2015 (the “2015 Stipulation”), the Parties resolved all issues associated with the 2015 SREC Petition, and submitted the 2015 Stipulation to the Board for its consideration and approval. By Order dated November 16, 2015, the Board approved the 2015 Stipulation, which established the SREC Financing Program component of the Rider RGGI charge of \$0.000824, inclusive of SUT.

¹ As of the date of the March 2013 SREC Petition, the Board had not acted upon the April 2012 SREC Petition.

Finally, by Petition dated May 6, 2016 (the “2016 SREC Petition”) the Company sought to further adjust its Rider RGGI charge associated with this program. The requested adjustment was for a decrease in the charge from \$0.000824 per kWh to \$0.000577 per kWh, inclusive of SUT. The Board assigned BPU Docket No. ER16050402 to the 2016 SREC Petition, and by Order dated November 30, 2016 (the “November 2016 Order”), approved the Stipulation of the Parties dated November 7, 2016, recommending the reduction in the Rider RGGI charge noted above. The November 2016 Order also modified the methodology utilized by the Company for forecasting future sales prices. This had the effect of further reducing the program’s Rider RGGI charge to \$0.000567 per kWh, inclusive of SUT, which Rider RGGI charge was further adjusted to reflect a change in the applicable SUT to \$0.000566 per kWh.

As noted above, the Company filed the 2017 SREC Petition on or about April 6, 2017. The 2017 SREC Petition requested a decrease in the SREC Financing Program component of the Company’s Rider RGGI charge from \$0.000566 per kWh, inclusive of SUT, to \$0.000387 per kWh, also inclusive of SUT. Therefore, no public hearings were deemed to be required and none were held. Discovery with regard to the 2017 SREC Petition was submitted by the Parties and responded to by the Company. In response to the discovery propounded by Rate Counsel, the Company updated actual program costs through June 30, 2017. The updated data had the effect of increasing the SREC charge requested by the Company’s 2017 SREC Petition to \$0.000392. Notwithstanding, the updated SREC charge remains a decrease from the current rate.

STIPULATION

The Parties to this Stipulation HEREBY STIPULATE AND AGREE to the following findings, conclusions, and determinations for purposes of a full, final, and complete resolution of the issues raised in the 2017 SREC Petition.

1. The Parties agree that the actual SREC Financing Program costs incurred through June 30, 2017, as shown in the Updated Exhibit B to the 2017 SREC Petition, a copy of which is attached hereto as **Attachment 1**, have been reviewed and deemed prudent and reasonable by the Parties. Actual costs incurred after that date are subject to review for reasonableness and prudence in future proceedings.

2. The Parties agree that the proposed SREC Financing Program component of the Rider RGGI rate should be set at \$0.000392 per kWh, inclusive of SUT, resulting in a rate decrease on a typical residential customer using 716 kWh per month of \$0.13 or a 0.10 percent decrease below the rate currently in effect, and that such decrease is consistent with the terms and conditions of the Board's Orders, and therefore should be approved by the Board. The charge of \$0.000392 per kWh, inclusive of SUT, is based on an annual revenue requirement of \$3,231,051 as shown in **Attachment 1** hereto². This revenue requirement reflects actual results through June 30, 2017 and projected results through August 31, 2018, and includes a) a projected revenue requirement of \$2,954,151 for the forecasted period of September 2017 through August 2018; b) a deferred balance through August 31, 2017 of \$270,015; and c) interest from January 1, 2017 through August 31, 2017 of \$6,885. The charge of \$0.000392 per kWh, inclusive of SUT, also incorporates the methodology which utilizes the average of the three most recent actual SREC auction prices.

² The annual revenue requirement includes ACE's portion of NERA's auction costs, as well as the Company's authorized SREC transaction fees.

3. The Company will submit updated tariff sheets within five (5) business days of the effective date of the Board's Order in this docket conforming to the agreed upon rates and terms set-forth in the above paragraphs or on such other schedule as the Board shall determine. The proposed tariff sheets are attached as **Attachment 2**.

4. The Parties acknowledge and agree that adoption by the Board of this Stipulation fully resolves the 2017 SREC Petition.

SETTLEMENT IMPLEMENTATION

The Parties hereby request that this Stipulation be considered by the Board at its first available agenda meeting following execution hereof by the Parties, and that the change in the Company's Rider RGGI charge applicable to the SREC Financing Program as proposed in the 2017 SREC Petition, as updated, be made effective for customer bills rendered on and after the first day of the calendar month following the effective date of the Board's approval, consistent with N.J.S.A. 48:2-20.

CONCLUSION

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

written notice, to pursue its then available legal remedies with respect to all issues addressed in this Stipulation, as though this Stipulation had not been signed.

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

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

- a. by executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation, except where the terms of this Stipulation supersede such prior Stipulation; and
- b. the contents of this Stipulation shall not in any way be considered, cited or used by any of the Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation.

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

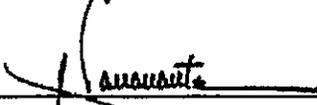
9. This Stipulation may be executed in any number of counterparts, each of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

ATLANTIC CITY ELECTRIC COMPANY

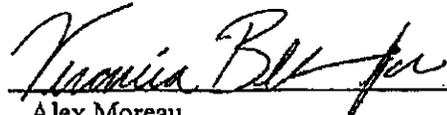
Dated: August 16, 2017 By:



Phillip J. Passanante
Assistant General Counsel

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

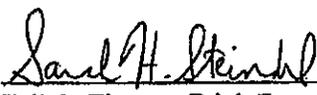
Dated: Aug. 16, 2017

By: 

Alex Moreau
Deputy Attorney General

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

Dated: Aug. 16, 2017

By: 

Felicia Thomas-Friel, Esq.
Deputy Rate Counsel

Sarah Steindel, Esq.
Assistant Deputy Rate Counsel

Attachment 1

Updated for Actuals through June 30, 2017

ATLANTIC CITY ELECTRIC COMPANY
RSCJ Recovery Charge
Solar Renewable Energy Credit (SREC) Financing Program

SECTION I - FORECASTED YEAR RECOVERY SCHEDULE

Table 1 - Forecasted Program Year Monthly Delivered Sales (MWh)

Month	(1)	(2)	(3)	(4)	(5)	(6)
Month	Auction Revenue (including colateral)	Transaction Fees Uncollected	SREC Purchases	Administrative Costs	Revenue Requirement	(6) = Col 3 + Col 4 + Col 5 - Col 2
Sep-17	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
Oct-17	\$ 1,691,364	\$ 160,050	\$ 2,541,854	\$ 12,191	\$ 1,022,530	\$ -
Nov-17	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
Dec-17	\$ 1,069,487	\$ 101,200	\$ -	\$ 12,191	\$ (854,073)	\$ -
Jan-18	\$ -	\$ -	\$ 1,021,842	\$ 12,191	\$ 1,034,033	\$ -
Feb-18	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
Mar-18	\$ 619,252	\$ 58,568	\$ 938,138	\$ 12,191	\$ (616,452)	\$ -
Apr-18	\$ -	\$ -	\$ -	\$ 12,191	\$ 950,329	\$ -
May-18	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
Jun-18	\$ 1,268,140	\$ 122,935	\$ 1,942,681	\$ 12,191	\$ 12,191	\$ -
Jul-18	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
Aug-18	\$ -	\$ -	\$ -	\$ 12,191	\$ 12,191	\$ -
	\$ 4,670,232	\$ 462,181	\$ 7,044,315	\$ 142,291	\$ 2,954,151	\$ -

Table 2 - SREC Forecasted Program Year Revenue Requirement

Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Month	Auction Revenue (including colateral)	Transaction Fees Uncollected	SREC Rate	Transaction Fees Collected	SREC Purchases	Administrative Costs	Over/Under Recovery	Beginning Monthly Balance	Over/Under Recovery	Ending Monthly Balance	Avg Monthly Balance	Net of Tax Corporate Tax	2yr constant Maturity Treasury + 50 BP	Interest
Sep-16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-16	\$ 1,722,888	\$ 158,711	\$ 266,575	\$ 80,558	\$ 2,529,201	\$ 7,386	\$ (2,450,654)	\$ (1,631,180)	\$ (1,631,180)	\$ (1,631,180)	\$ (2,041,022)	\$ (1,207,255)	\$ 1.39%	\$ (1,390)
Nov-16	\$ -	\$ -	\$ 387,599	\$ 66,832	\$ -	\$ 9,965	\$ (1,031,800)	\$ (2,556,957)	\$ (1,031,800)	\$ (2,556,957)	\$ (1,944,089)	\$ (1,149,817)	\$ 1.40%	\$ (1,342)
Dec-16	\$ 745,175	\$ 73,576	\$ 433,770	\$ 74,730	\$ -	\$ 11,105	\$ (443,325)	\$ (2,256,657)	\$ (1,813,632)	\$ (1,813,632)	\$ (2,035,264)	\$ (1,203,871)	\$ 1.43%	\$ (1,435)
Jan-17	\$ -	\$ -	\$ 409,085	\$ 91,409	\$ 1,677,486	\$ 6,993	\$ (1,958,764)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,228,750)	\$ (726,295)	\$ 1.52%	\$ (1,410)
Feb-17	\$ 655,468	\$ 62,865	\$ 200,594	\$ 54,862	\$ 2,310	\$ 8,114	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (984,185)	\$ 1.82%	\$ (1,133)
Mar-17	\$ -	\$ -	\$ 259,546	\$ 72,253	\$ 823,195	\$ 11,798	\$ (911,405)	\$ (1,452,278)	\$ (1,452,278)	\$ (1,452,278)	\$ (1,629,933)	\$ (980,951)	\$ 1.87%	\$ (929)
Apr-17	\$ -	\$ -	\$ -	\$ 72,035	\$ -	\$ 11,798	\$ (607,134)	\$ (1,148,305)	\$ (1,148,305)	\$ (1,148,305)	\$ (844,739)	\$ (490,653)	\$ 1.64%	\$ (766)
May-17	\$ -	\$ -	\$ 287,596	\$ 88,708	\$ -	\$ 7,927	\$ (297,393)	\$ (1,148,305)	\$ (1,148,305)	\$ (1,148,305)	\$ (949,609)	\$ (581,269)	\$ 1.88%	\$ (820)
Jun-17	\$ 1,306,624	\$ 123,567	\$ 371,181	\$ 114,279	\$ 1,952,677	\$ 12,191	\$ (368,287)	\$ (850,012)	\$ (850,012)	\$ (850,012)	\$ (666,789)	\$ (394,304)	\$ 1.89%	\$ (955)
Jul-17	\$ -	\$ -	\$ -	\$ 122,935	\$ -	\$ -	\$ (297,171)	\$ (779,797)	\$ (779,797)	\$ (779,797)	\$ (574,980)	\$ (313,361)	\$ 1.88%	\$ (486)
Aug-17	\$ -	\$ -	\$ 399,084	\$ 122,978	\$ -	\$ 12,191	\$ 599,782	\$ (779,797)	\$ (779,797)	\$ (779,797)	\$ (574,980)	\$ (313,361)	\$ 1.88%	\$ (486)

Table 3 - SREC Prior Year Monthly Over/Under Recovered Balances

Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Month	Auction Revenue (including colateral)	Transaction Fees Uncollected	SREC Rate	Transaction Fees Collected	SREC Purchases	Administrative Costs	Over/Under Recovery	Beginning Monthly Balance	Over/Under Recovery	Ending Monthly Balance	Avg Monthly Balance	Net of Tax Corporate Tax	2yr constant Maturity Treasury + 50 BP	Interest
Sep-16	\$ -	\$ -	\$ -	\$ 118,930	\$ -	\$ -	\$ 7,386	\$ 819,683	\$ (2,450,654)	\$ (1,631,180)	\$ (2,041,022)	\$ (1,207,255)	\$ 1.39%	\$ (1,390)
Oct-16	\$ 1,722,888	\$ 158,711	\$ 266,575	\$ 80,558	\$ 2,529,201	\$ 9,965	\$ (2,450,654)	\$ (1,031,800)	\$ (1,031,800)	\$ (2,556,957)	\$ (1,944,089)	\$ (1,149,817)	\$ 1.40%	\$ (1,342)
Nov-16	\$ -	\$ -	\$ 387,599	\$ 66,832	\$ -	\$ 11,105	\$ (443,325)	\$ (2,256,657)	\$ (1,813,632)	\$ (1,813,632)	\$ (2,035,264)	\$ (1,203,871)	\$ 1.43%	\$ (1,435)
Dec-16	\$ 745,175	\$ 73,576	\$ 433,770	\$ 74,730	\$ -	\$ 14,345	\$ (1,958,764)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,228,750)	\$ (726,295)	\$ 1.52%	\$ (1,410)
Jan-17	\$ -	\$ -	\$ 409,085	\$ 91,409	\$ 1,677,486	\$ 6,993	\$ (1,958,764)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,813,632)	\$ (1,673,389)	\$ (984,185)	\$ 1.82%	\$ (1,133)
Feb-17	\$ 655,468	\$ 62,865	\$ 200,594	\$ 54,862	\$ 2,310	\$ 8,114	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (1,673,389)	\$ (984,185)	\$ 1.87%	\$ (929)
Mar-17	\$ -	\$ -	\$ 259,546	\$ 72,253	\$ 823,195	\$ 11,798	\$ (911,405)	\$ (1,452,278)	\$ (1,452,278)	\$ (1,452,278)	\$ (1,629,933)	\$ (980,951)	\$ 1.87%	\$ (929)
Apr-17	\$ -	\$ -	\$ -	\$ 72,035	\$ -	\$ 11,798	\$ (607,134)	\$ (1,148,305)	\$ (1,148,305)	\$ (1,148,305)	\$ (844,739)	\$ (490,653)	\$ 1.64%	\$ (766)
May-17	\$ -	\$ -	\$ 287,596	\$ 88,708	\$ -	\$ 7,927	\$ (297,393)	\$ (1,148,305)	\$ (1,148,305)	\$ (1,148,305)	\$ (949,609)	\$ (581,269)	\$ 1.88%	\$ (820)
Jun-17	\$ 1,306,624	\$ 123,567	\$ 371,181	\$ 114,279	\$ 1,952,677	\$ 12,191	\$ (368,287)	\$ (850,012)	\$ (850,012)	\$ (850,012)	\$ (666,789)	\$ (394,304)	\$ 1.89%	\$ (955)
Jul-17	\$ -	\$ -	\$ -	\$ 122,935	\$ -	\$ -	\$ (297,171)	\$ (779,797)	\$ (779,797)	\$ (779,797)	\$ (574,980)	\$ (313,361)	\$ 1.88%	\$ (486)
Aug-17	\$ -	\$ -	\$ 399,084	\$ 122,978	\$ -	\$ 12,191	\$ 599,782	\$ (779,797)	\$ (779,797)	\$ (779,797)	\$ (574,980)	\$ (313,361)	\$ 1.88%	\$ (486)

Notes:
1) January Cap. 16 - Jun. 17, Forecasted Jul. 17 - Aug. 17
2) Sep. 16 beginning monthly balance in Col. (9) (\$2,450,654) represents ending deferred balance that was settled and approved in Declet No. ER16059-02, Board Order dated November 30, 2016

SECTION II - RSCJ RECOVERY CHARGE SREC COMPONENT CALCULATION

Forecasted Revenue Requirement (Sep-17-Aug18)	\$ 2,954,151
SREC Deferred Balance Under Recovery @ Aug. 31, 2017	\$ 276,005
Unpaid (Jan. 17 - Aug. 17)	\$ 3,231,051
Total Revenue Requirement to be Recovered	\$ 6,461,207
Retain Sales - Iwh	\$ 8,812,376,577
S/RWH Surcharge	\$ 0,000,656
BP/Assessment	\$ 0,000,001
S/RWH Surcharge with SUT	\$ 0,000,982

ATLANTIC CITY ELECTRIC COMPANY
 RGGI Recovery Charge
 Solar Renewable Energy Credit (SREC) Financing Program
 Computation of NJ Tax Factors

Line No.	Description		Statutory Tax Rate	
1	BPU Assessment		0.286%	
2	NJ Income Tax Rate		9.000%	
3	Federal Income Tax Rate		35.00%	
Line No.	Description	Computation	Total Tax Factor	Income Tax Factor
4	BPU Assessment	line 1	0.2860%	0.0000%
5	NJ Income Tax Factor	(100%-line 1) x line 2	8.9743%	9.0000%
6	Federal Income Tax Factor	(100% - (line 4 + line 5)) x line 3	31.7589%	31.8500%
7	Composite Tax Factor	line 4 + line 5 + line 6	41.0192%	40.8500%
8	Complement of Composite Tax Factor	100% - (line 4 + line 5 + line 6)	58.9808%	59.1500%

ATLANTIC CITY ELECTRIC COMPANY

RGGI Recovery Charge

Solar Renewable Energy Credit (SREC) Financing Program

New Jersey Deferral Calculation Interest Rates

(1)	(2)			
<u>Date</u>	<u>Rate on 1st of Current Month</u> 2yr. constant <u>maturity Treasury</u>	<u>+ 60 bp</u>	<u>Interest Rate</u>	
Sep-16	0.78%	0.60%	1.38%	
Oct-16	0.80%	0.60%	1.40%	
Nov-16	0.83%	0.60%	1.43%	
Dec-16	1.14%	0.60%	1.74%	
Jan-17	1.22%	0.60%	1.82%	
Feb-17	1.22%	0.60%	1.82%	
Mar-17	1.29%	0.60%	1.89%	
Apr-17	1.24%	0.60%	1.84%	
May-17	1.28%	0.60%	1.88%	
Jun-17	1.28%	0.60%	1.88%	

Attachment 2

ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV Revised Sheet Replaces Revised Sheet No. 64

RIDER RGGI

Regional Greenhouse Gas Initiative Recovery Charge

A. Applicability

This rider is applicable to Rate Schedules RS, MGS Secondary, MGS Primary, AGS Secondary, AGS Primary, TGS, DDC, SPL and CSL. Amounts billed to customers shall include a charge to reflect regional greenhouse gas initiative program costs. Except where indicated otherwise, Rider "RGGI" will be determined annually based on projections of program costs (including an adjustment for variances between budgeted and actual prior year expenditures) and forecasts of kilowatt hour sales. The charge (in dollars per kilowatt hour) will be computed by dividing the total annual amount to be recovered for by forecasted retail sales (in kilowatt hours).

RGGI Programs

Residential Controllable Smart Thermostat Program (RCSTP) (\$/kWh) \$0.000000
This charge component is intended to recover costs associated with the Residential Controllable Smart Thermostat Demand Response Program.

Solar Renewable Energy Certificate (SREC) (\$/kWh) \$0.000392
This charge component is intended to recover net costs associated with the Solar Renewable Energy Certificate Program.

Date of Issue:

Effective Date:

Issued by:

ATLANTIC CITY ELECTRIC COMPANY

BPU NJ No. 11 Electric Service - Section IV Tenth Revised Sheet Replaces Ninth Revised Sheet No. 64

RIDER RGGI

Regional Greenhouse Gas Initiative Recovery Charge

A. Applicability

This rider is applicable to Rate Schedules RS, MGS Secondary, MGS Primary, AGS Secondary, AGS Primary, TGS, DDC, SPL and CSL. Amounts billed to customers shall include a charge to reflect regional greenhouse gas initiative program costs. Except where indicated otherwise, Rider "RGGI" will be determined annually based on projections of program costs (including an adjustment for variances between budgeted and actual prior year expenditures) and forecasts of kilowatt hour sales. The charge (in dollars per kilowatt hour) will be computed by dividing the total annual amount to be recovered for by forecasted retail sales (in kilowatt hours).

RGGI Programs

Residential Controllable Smart Thermostat Program (RCSTP) (\$/kWh) \$0.000000
This charge component is intended to recover costs associated with the Residential Controllable Smart Thermostat Demand Response Program.

Solar Renewable Energy Certificate (SREC) (\$/kWh) \$0.000566000392
This charge component is intended to recover net costs associated with the Solar Renewable Energy Certificate Program.

Date of Issue: April 7, 2017

Effective Date: April 3, 2017

Issued by: ~~David M. Velazquez, President and Chief Executive Officer~~ Atlantic City Electric Company
Filed pursuant to Board of Public Utilities of the State of New Jersey directives associated with the
BPU Docket No. ER16090846

Issued by:

In the Matter of the Application of Atlantic City Electric Company to Adjust the Level of Its
"Rider RGGI" Rate Associated With Its Solar Renewable Energy Certificate Financing Program (2017)
BPU Docket No. ER17040357

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