



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF )  
ATLANTIC CITY ELECTRIC COMPANY FOR ) ORDER APPROVING  
APPROVAL OF ELECTRIC BASE RATE ) STIPULATION OF SETTLEMENT  
ADJUSTMENTS TO THE POWERAHEAD )  
PROGRAM (5/2019) ) DOCKET NO. ER19050550

**Parties of Record:**

**Andrew J. McNally, Esq.**, on behalf of Atlantic City Electric Company  
**Stefanie A. Brand, Esq.**, Director, Division of Rate Counsel

**BY THE BOARD:**

On May 2, 2019, Atlantic City Electric Company ("ACE" or "Company") filed a verified petition ("May 2019 Petition") with the New Jersey Board of Public Utilities ("Board") seeking the review and approval of plant investments made pursuant to its PowerAhead Program ("PowerAhead" or "Program"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by ACE, Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, the "Parties") resolving the May 2019 Petition.

**BACKGROUND AND PROCEDURAL HISTORY**

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

<sup>1</sup> In re the Petition of Atlantic City Electric Company for Approval of Amendments to its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and 48:2-21.1, for Approval of a Grid Resiliency Initiative and Cost Recovery Related Thereto; and for Other Appropriate Relief (2016) – Phase II, BPU Docket No. ER16030252, Order dated May 31, 2017 ("May 2017 Order").

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

1. Structural and Electrical Hardening: \$24.0 million
2. Selective Underground: \$11.0 million
3. Barrier Island Feeder Ties: \$13.0 million
4. Distribution Automation: \$15.0 million
5. Electronic Fusing: \$2.0 million
6. New Substation – Harbor Beach: \$14.0 million

### **May 2019 PETITION**

On May 2, 2019, ACE filed the May 2019 Petition seeking the review and approval of the capital investments related to PowerAhead that were placed in service from January 1, 2019 through June 30, 2019. In the May 2019 Petition, ACE sought to recover the revenue requirements associated with \$8.71 million of plant-in service investments. The May 2019 Petition included actual data through March 31, 2019 and projected information for the period April 1, 2019 through June 30, 2019.

On July 16, 2019, (“July 2019 Update”) ACE updated its filing with actual data through June 30, 2019. Based on the July 2019 Update, the Company updated its revenue requirement to recover \$9.07 million of plant-in service investments incurred from January 1, 2019 to June 30, 2019.

After publication of notice in newspapers of general circulation in the Company’s service territory, two (2) public hearings (one in the afternoon and one in the evening) were held at the Company’s Offices in Mays Landing, New Jersey on August 27, 2019. No member of the public attended or provided written comments.

### **STIPULATION**

Following discovery, the Parties met to discuss the issues in this matter. As a result, on September 13, 2019, the Parties executed the Stipulation in this matter. The Stipulation provides the following:<sup>2</sup>

1. The Parties agree that ACE shall receive in rates, as described in the Stipulation, an increase in the electric revenue requirement of approximately \$251,970 over the six-month period starting October 1, 2019. The \$251,970 increase represents approximately one-half of the revenue requirement that ACE intended to collect over the six-month period. ACE should have annualized the semi-annual revenue requirement of \$503,941 since annual billing determinants were used in the rate design. The semi-annual revenue requirement combined with the use of annual billing determinants results in recovering the \$503,941 revenue requirement over a 12-month, not a six-month, period. Additionally, the Parties agree that the \$503,941 semi-annual revenue requirement should have been annualized by ACE in order for it to be recovered over the six-month period beginning October 1, 2019.

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<sup>2</sup> Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Each paragraph is numbered to coincide with the Stipulation.

2. ACE may implement the proposed rates associated with the increase in the electric revenue requirement referenced in Paragraph 1 of the Stipulation (reflected in Supplemental Schedule (CJV-S)-1, at 1, attached to the Stipulation as Attachment A), pursuant to ACE's proposed rate design methodology (reflected in Supplemental Schedule (CJV-S)-2, attached to the Stipulation as Attachment B). These Schedules reflect the semi-annual revenue requirement of \$503,941 being collected over annual billing determinants, as described in Paragraphs 1 and 6 of the Stipulation.
3. ACE shall implement the electric rates addressed in Paragraph 3 of the Stipulation effective October 1, 2019 on an interim basis subject to prudence review in the next ACE base rate case.
4. The impact of the proposed rates to the typical residential electric customer that uses an average of 679 kilowatt hours per month will be an increase of \$0.05 per month or approximately 0.04 percent.
5. Consistent with the May 2017 Order, the prudence of the execution of the projects that are the subject of the rate adjustments provided for under the Stipulation will be reviewed in ACE's subsequent base rate proceedings, as appropriate, including a review to ensure that ACE's expenses are distribution, not transmission, investments. Accordingly, the rate adjustments agreed to pursuant to the Stipulation shall be provisional, and subject to refund. Nothing in the Stipulation will preclude any Party in ACE's next base rate case from raising any objection that could have been raised in the present proceeding.
6. The Parties acknowledge that ACE's May 2019 Petition sought recovery of a semi-annual revenue requirement of \$503,941 over a 12-month period, rather than the correct six-month period, based on the annual billing determinants used in the rate design from ACE's last base rate case proceeding. This circumstance is expected to result in the Company recovering approximately \$251,970, which is less than the full amount of the \$503,941 semi-annual revenue requirement related to the PowerAhead investments placed in service from January 1, 2019 to June 30, 2019. The Parties agree that ACE will seek recovery of the under-recovered \$251,971, beginning on October 1, 2019 and ending on the rate effective date of the next PowerAhead filing, related to investments placed in service from January 1, 2019 to June 30, 2019 in its next PowerAhead recovery filing. The Parties further agree that ACE will not file for any carrying charges in any subsequent request for recovery of the \$251,971 not recovered in this docket. The Parties further agree that, in future PowerAhead recovery filings, the Company shall propose an annual revenue requirement to be recovered using the annual billing determinants from the most recent base rate case proceeding (determined at the time such future PowerAhead recovery filings are made).

### **DISCUSSION AND FINDINGS**

The Board has carefully reviewed the record in this proceeding, including the May 2019 Petition, the July 2019 Update and the attached Stipulation. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety, and incorporates its terms and conditions as if fully stated in this Order.

The Board **HEREBY AUTHORIZES** the Company to recover the rate adjustments reflected in the Stipulation, on a provisional basis, subject to refund with interest and review for prudence in a future ACE base rate case. As a result of the Stipulation, an average residential customer using approximately 679 kilowatt hours per month, will see an increase \$0.05 per month or approximately 0.04%.

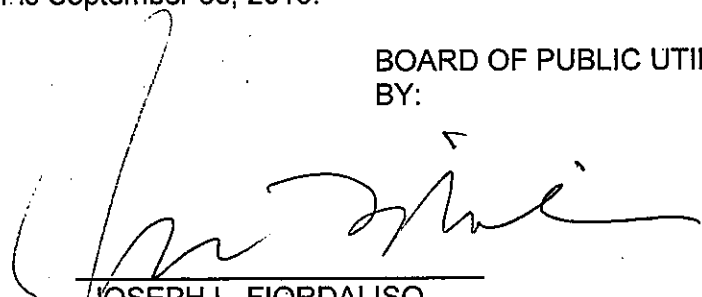
The Board **HEREBY ORDERS** ACE to file revised tariff sheets conforming to the terms of the Stipulation by October 1, 2019.

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

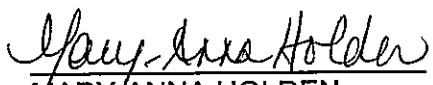
The effective date of this Order is September 30, 2019.

DATED: 9/27/19

BOARD OF PUBLIC UTILITIES  
BY:



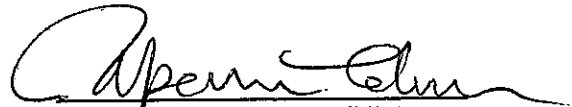
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JOSEPH L. FIORDALISO  
PRESIDENT



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MARYANNA HOLDEN  
COMMISSIONER



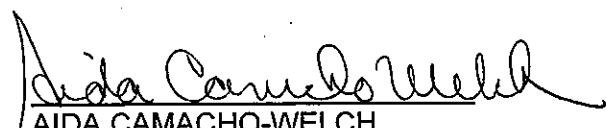
\_\_\_\_\_  
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COMMISSIONER



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UPENDRA J. CHIVUKULA  
COMMISSIONER



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ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
\_\_\_\_\_  
AIDA CAMACHO-WELCH  
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 FOR  
APPROVAL OF ELECTRIC BASE RATE ADJUSTMENTS TO THE POWERAHEAD  
PROGRAM (5/2019) - BPU DOCKET NO. ER19050550

SERVICE LIST

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September 13, 2019

**VIA FEDERAL EXPRESS and  
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Secretary of the Board  
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**RE:** In the Matter of the Petition of Atlantic City Electric Company for Approval of  
Electric Base Rate Adjustments to the PowerAhead Program (5/2019)  
BPU Docket No. ER19050550

Dear Secretary Camacho-Welch:

Enclosed herewith for filing are an original and ten (10) conformed copies of a fully executed Stipulation of Settlement, including all relevant Schedules (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 27, 2019.

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,

A handwritten signature in black ink that reads 'Andrew J. McNally'.  
Andrew J. McNally

Enclosures

cc: Service List

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**IN THE MATTER OF THE PETITION  
OF ATLANTIC CITY ELECTRIC  
COMPANY FOR APPROVAL OF  
ELECTRIC BASE RATE  
ADJUSTMENTS TO THE  
POWERAHEAD PROGRAM (5/2019)**

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES  
  
BPU DOCKET NO. ER19050550  
  
STIPULATION OF SETTLEMENT**

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**APPEARANCES:**

**Andrew J. McNally and Philip J. Passanante, Assistant General Counsel, for Atlantic City Electric Company**

**Ami Morita – Managing Attorney Electric; Maria Novas-Ruiz and James W. Glassen, Assistant Deputies Rate Counsel, on behalf of the Division of Rate Counsel (Stefanie A. Brand, Director, Division of Rate Counsel)**

**Peter Van Brunt, Deputy Attorney General, on behalf of the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)**

This Stipulation of Settlement (“Stipulation”) is hereby made and executed as of this 13th day of September, 2019, by and among Atlantic City Electric Company (“ACE” or the “Company”), the Staff of the New Jersey Board of Public Utilities (“Board Staff” or “Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (individually, a “Party” and collectively, the “Parties”), in settlement of all factual and legal issues pertaining to the above-captioned Verified Petition (the “May 2019 PowerAhead Petition”) filed by the Company on May 2, 2019 (BPU Docket No. ER19050550).

**BACKGROUND**

On March 22, 2016, ACE filed a Verified Petition with the New Jersey Board of Public Utilities (the “Board” or “BPU”), seeking, among other things, approval of the storm resiliency and grid modernization initiative known as PowerAhead, and approval of a cost recovery mechanism related to PowerAhead. ACE’s PowerAhead proposal was focused on storm



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

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

At the time of the filing of the May 2019 PowerAhead Petition, ACE sought recovery of

actual PowerAhead investments placed in service from January 1, 2019 through March 31, 2019, and PowerAhead electric plant that was projected to be placed in service from April 1, 2019 to June 30, 2019. On or about July 16, 2019, ACE updated its filing to set forth the Company's actual capital expenditures for the April 1, 2019 to June 30, 2019 period. As updated with actual data for the entire Roll-in Period, ACE's filing sought recovery related to \$9,068,936 in gross plant-in-service investments under the PowerAhead Program and sought an increase in ACE's semi-annual revenue requirement of \$503,941 related to those gross plant-in-service investments.

Notice of ACE's May 2019 PowerAhead Petition, including the date, time, and place of public hearings, was placed in newspapers having a circulation within the Company's electric service territory, and was duly served on the Clerks of the municipalities, the Clerks of the Board of Chosen Freeholders, and the County Executives within the Company's electric service territory. In accordance with that notice, two (2) public hearings (one in the afternoon and one in the evening) were held at the Company's Offices in Mays Landing, New Jersey on August 27, 2019. No members of the public provided comments at the hearings.

#### **STIPULATION**

Representatives from ACE, Board Staff, and Rate Counsel have reviewed the Company's May 2019 PowerAhead Petition, the update thereto, as well as ACE's responses to discovery requests, and have discussed the facts and issues in this matter. As a result, the Parties to this Stipulation HEREBY STIPULATE AND AGREE to the following findings, conclusions, and determinations for purposes of a full, final, and complete resolution of the issues raised in the May 2019 PowerAhead Petition, inclusive of its update:

1. The Parties agree that ACE shall receive in rates, as described below, an increase in the electric revenue requirement of approximately \$251,970 over the six-month period starting October 1, 2019. The \$251,970 increase represents approximately one-half of the revenue

requirement that ACE intended to collect over the six-month period. ACE should have annualized the semi-annual revenue requirement of \$503,941 since annual billing determinants were used in the rate design. The semi-annual revenue requirement combined with the use of annual billing determinants results in recovering the \$503,941 revenue requirement over a 12-month, not a six-month, period. Additionally, the Parties agree that the \$503,941 semi-annual revenue requirement should have been annualized by ACE in order for it to be recovered over the six-month period beginning October 1, 2019.

2. ACE may implement the proposed rates associated with the increase in the electric revenue requirement referenced above (reflected in Supplemental Schedule (CJV-S)-1, at 1, annexed hereto as **Attachment A**), pursuant to ACE's proposed rate design methodology (reflected in Supplemental Schedule (CJV-S)-2, annexed hereto as **Attachment B**). These Schedules reflect the semi-annual revenue requirement of \$503,941 being collected over annual billing determinants, as described in Paragraphs 1 and 6 of this Stipulation.

3. ACE shall implement the electric rates addressed in the preceding paragraph effective October 1, 2019 on an interim basis subject to prudence review in the next ACE base rate case.

4. The impact of the proposed rates to the typical residential electric customer that uses an average of 679 kilowatt hours per month will be an increase of \$0.05 per month or approximately 0.04 percent.

5. Consistent with the 2017 PowerAhead Stipulation and the May 2017 PowerAhead Order, the prudence of the execution of the projects that are the subject of the rate adjustments provided for under this Stipulation will be reviewed in ACE's subsequent base rate proceedings, as appropriate, including a review to ensure that ACE's expenses are distribution, not transmission, investments. Accordingly, the rate adjustments agreed to pursuant to the instant

Stipulation shall be provisional, and subject to refund. Nothing herein will preclude any Party in ACE's next base rate case from raising any objection that could have been raised in the present proceeding.

6. The Parties acknowledge that ACE's May 2019 PowerAhead Petition sought recovery of a semi-annual revenue requirement of \$503,941 over a 12-month period, rather than the correct six-month period, based on the annual billing determinants used in the rate design from ACE's last base rate case proceeding. This circumstance is expected to result in the Company recovering approximately \$251,970, which is less than the full amount of the \$503,941 semi-annual revenue requirement related to the PowerAhead investments placed in service from January 1, 2019 to June 30, 2019. The Parties agree that ACE will seek recovery of the under-recovered \$251,971, beginning on October 1, 2019 and ending on the rate effective date of the next PowerAhead filing, related to investments placed in service from January 1, 2019 to June 30, 2019 in its next PowerAhead recovery filing. The Parties further agree that ACE will not file for any carrying charges in any subsequent request for recovery of the \$251,971 not recovered in this docket. The Parties further agree that, in future PowerAhead recovery filings, the Company shall propose an annual revenue requirement to be recovered using the annual billing determinants from the most recent base rate case proceeding (determined at the time such future PowerAhead recovery filings are made).

7. It is a condition of this Stipulation that the Board issue an Order approving the provisional rates agreed upon in this Stipulation on an interim basis without change or further conditions. Should the Board fail to issue such an Order, this Stipulation shall be deemed null and void and of no force and effect. Any Party, thereafter, shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues raised by the Petition to conclusion. In the event this condition is not satisfied for any reason, then neither the existence of this

Stipulation nor its provisions shall be disclosed or utilized by any Party for any purpose whatsoever, including in this or any other proceeding.

8. The Parties agree that this Stipulation is a negotiated agreement and represents a reasonable balance of the competing interests involved in this proceeding. The contents of this Stipulation shall not in any way be considered, cited, or used by any Party as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation, and except as stated within Paragraph 6 hereof. Notwithstanding anything to the contrary set forth herein, upon the occurrence of any of the following, this Stipulation shall terminate:

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

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

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

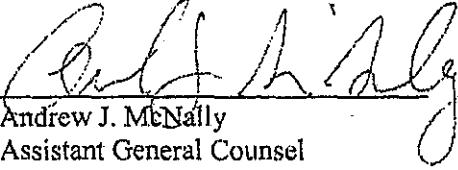
11. This Stipulation represents the full scope of the agreement between the Parties.

This Stipulation may only be modified by a further written agreement executed by all of the Parties to this Stipulation.

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

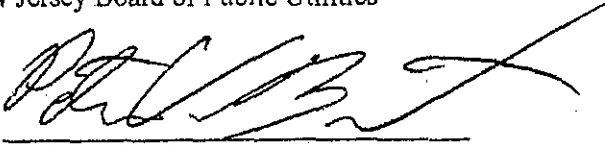
**ATLANTIC CITY ELECTRIC COMPANY**

Dated: 9/12/19

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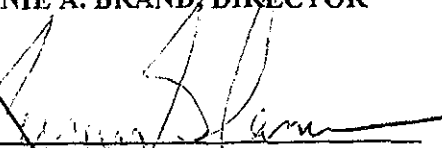
**GURBIR S. GREWAL**  
**ATTORNEY GENERAL OF NEW JERSEY**  
Attorney for the Staff of the  
New Jersey Board of Public Utilities

Dated: 9-12-2019

By:   
Peter Van Brunt  
Deputy Attorney General

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

Dated: 9/13/19

By:   
James Glassen  
Assistant Deputy Rate Counsel

# Attachment 1

**Atlantic City Electric Company**  
 Development of PowerAhead Revenue Requirements

	(1)
<b>Filing Date</b>	<b>July 16th, 2019</b>
<b>Recovery Period</b>	<b>Jan 2019 - June 2019</b>
Rate Base:	
Gross Plant	\$ 9,068,936
Accumulated Depreciation	\$ 101,295
Deferred Taxes	\$ 533
Net Rate Base	<u>\$ 8,967,109</u>
Operating Income:	
Depreciation	\$ 101,295
SIT-Current	\$ (18,528)
FIT-Current	\$ (39,340)
Deferred Taxes	\$ 533
Total Operating Expenses	<u>\$ 43,959</u>
Return Required	<u>\$ 317,436</u>
Required Oper. Income	\$ 361,395
Revenue Conversion Factor	1.39443
<b>Revenue Requirement</b>	<u><b>\$ 503,941</b></u>
<b><u>Income Statement Check</u></b>	
Revenue	\$ 503,941
Depreciation & Amortization	\$ 101,295
Other Taxes	\$ 1,236
Interest Expense	<u>\$ 102,673</u>
Net income before Taxes	\$ 298,737
Income Tax - Current	\$ 83,442
Income Tax - Deferred	\$ 533
Earnings	\$ 214,762
Return on Equity per WACC	\$ 214,762
MACRS	\$ 103,190



Atlantic City Electric Company  
Depreciation Accrual Rates & Actual Closings by Plant Account

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC/NARUC	Plant Account	Plant	Net Salvage	Total	Jan-19 CLOSINGS	Feb-19 CLOSINGS	Mar-19 CLOSINGS	Apr-19 CLOSINGS	May-19 CLOSINGS	Jun-19 CLOSINGS
1	361.00	STRUCTURES AND IMPROVEMENTS	1.77%	0.13%	1.90%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	362.00	STATION EQUIPMENT	2.13%	0.41%	2.54%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	364.00	POLES, TOWERS, AND FIXTURES	1.68%	0.74%	2.42%	(8,844)	(12,853)	75,122	532,879.94	319,906.94	198,315.82
4	365.00	OVERHEAD CONDUCTORS AND DEVICES	1.86%	1.59%	3.45%	970,035	906,030	1,427,496	413,088.77	40,295.49	1,283,144.23
5	366.00	UNDERGROUND CONDUIT	1.11%	0.01%	1.12%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	367.00	UNDERGROUND CONDUCTORS AND DEVICES	1.50%	0.13%	1.63%	1,390	10,724	-	2,130.09	-	-
7	368.00	LINE TRANSFORMERS	3.22%	1.15%	4.37%	506,583	672,187	158,619	1,004,871.29	530,635.71	(79,905.42)
8	369.10	SERVICES-OVERHEAD	1.73%	1.22%	2.95%	53,132	24,520	(682)	7,652.87	41.66	-
9	369.20	SERVICES-UNDERGROUND	2.29%	0.13%	2.42%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	370.00	METERS	6.61%	0.00%	6.61%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	371.10	INSTALLATIONS ON CUSTOMER PREMISES	6.93%	0.00%	6.93%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	371.20	PRIVATE AREA LIGHTING	2.33%	1.40%	3.73%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	372.00	LEASED PROPERTY ON CUSTOMER PREMISES	9.63%	0.00%	9.63%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	373.10	STREET LIGHTING - OVERHEAD	4.28%	2.09%	6.37%	14,170	3,843	(397)	(58.76)	(577.06)	-
15	373.20	STREET LIGHTING - UNDERGROUND	1.74%	1.08%	2.82%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16											
17											
18											
19	390.00	<u>STRUCTURES AND IMPROVEMENTS</u>									
20		GLASSBORO OPERATIONS OFFICE	2.40%	0.00%	2.40%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21		PLEASANTVILLE OPERATIONS OFFICE	3.59%	0.00%	3.59%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22		WINSLOW OPERATIONS OFFICE	2.48%	0.00%	2.48%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		OTHER STRUCTURES	1.16%	0.13%	1.29%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24											
25	392.00	TRANSPORTATION EQUIPMENT	9.21%	-0.13%	9.08%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	397.20	MICROWAVE EQUIPMENT AND TOWERS	4.00%	0.78%	4.78%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27											
28		<u>OFFICE FURNITURE AND EQUIPMENT</u>									
29	391.10	OFFICE FURNITURE	5.00%	0.00%	5.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	391.30	INFORMATION SYSTEMS	20.00%	0.00%	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31											
32											
33	393.00	STORES EQUIPMENT	4.00%	0.00%	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	4.00%	0.00%	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	397.10	COMMUNICATION EQUIPMENT	6.67%	0.00%	6.67%	50	3,785	11,740	9,197.71	(9,334)	-
36	398.00	MISCELLANEOUS EQUIPMENT	5.00%	0.01%	5.01%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37											
38											
39											
						(1)	(2)	(3)	(4)	(5)	(6)
Total						\$ 1,536,517	\$ 1,608,236	\$ 1,671,898	\$ 1,969,762	\$ 880,969	\$ 1,401,555

**Atlantic City Electric Company**

**Tax Depreciation**

			(1)	(2)	(3)	(4)	(5)	(6)	(7)
			2019	2019	2019	2019	2019	2019	Period 1
			January	February	March	April	May	June	Jan - Jun 2019
<b>20 YR MACRS Depreciation Rates</b>			3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Investment Year	Investment Month	Investment Amount	1	2	3	4	5	6	
2019	January	\$ 1,536,517	\$4,802	\$4,802	\$4,802	\$4,802	\$4,802	\$4,802	\$28,810
2019	February	\$ 1,608,236		\$5,026	\$5,026	\$5,026	\$5,026	\$5,026	\$25,129
2019	March	\$ 1,671,898			\$5,225	\$5,225	\$5,225	\$5,225	\$20,899
2019	April	\$ 1,969,762				\$6,156	\$6,156	\$6,156	\$18,467
2019	May	\$ 880,969					\$2,753	\$2,753	\$5,506
2019	June	\$ 1,401,555						\$4,380	\$4,380
<b>6 m/e June 2019</b>		<b>\$ 9,068,936</b>	<b>\$4,802</b>	<b>\$9,827</b>	<b>\$15,052</b>	<b>\$21,208</b>	<b>\$23,961</b>	<b>\$28,340</b>	<b>\$103,190</b>

**Book Depreciation**

			(1)	(2)	(3)	(4)	(5)	(6)	(7)
			2019	2019	2019	2019	2019	2019	Period 1
			January	February	March	April	May	June	Jan - Jun 2019
<b>Book Depreciation Rate</b>									
Investment Year	Investment Month	Investment Amount	1	2	3	4	5	6	
2019	January	\$ 1,536,517	\$4,824	\$4,824	\$4,824	\$4,824	\$4,824	\$4,824	\$28,943
2019	February	\$ 1,608,236		\$5,143	\$5,143	\$5,143	\$5,143	\$5,143	\$25,715
2019	March	\$ 1,671,898			\$4,895	\$4,895	\$4,895	\$4,895	\$19,579
2019	April	\$ 1,969,762				\$5,994	\$5,994	\$5,994	\$17,983
2019	May	\$ 880,969					\$2,639	\$2,639	\$5,277
2019	June	\$ 1,401,555						\$3,798	\$3,798
<b>6 m/e June 2019</b>		<b>\$ 9,068,936</b>	<b>\$4,824</b>	<b>\$9,967</b>	<b>\$14,862</b>	<b>\$20,856</b>	<b>\$23,494</b>	<b>\$27,292</b>	<b>\$101,295</b>

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

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

**Atlantic City Electric Company**  
**Development of Revenue Conversion Factor**

(1) Line No.	(2) <u>Particulars</u>	(3) w/ Assessments <u>Factor</u>	(4) w/o Assessments <u>Factor</u>
1	<b><u>Tax Rates</u></b>		
2	Federal Income Tax	0.210000	0.210000
3	State Income Tax	0.090000	0.090000
4			
5	BPU Assessment	0.001924	0.000000
6	DRC Assessment	<u>0.000528</u>	<u>0.000000</u>
7			
8	<b><u>Conversion Factor</u></b>		
9	Revenue Increase	X	X
10			
11	BPU Assessment	0.001924	0.000000
12	DRC Assessment	<u>0.000528</u>	<u>0.000000</u>
13			
14	Total Other Tax	0.002452	0.000000
15			
16	State Taxable Income	0.997548	1.000000
17	State Income Tax	0.089779	0.090000
18			
19	Federal Taxable Income	0.907769	0.910000
20	Federal Income Tax	0.190631	0.191100
21			
22	Total Additional Taxes	0.282863	0.281100
23			
24	Increase in Earnings (1 - additional taxes)	0.717137	0.718900
25			
26	Revenue Conversion Factor (1/Incr in Earnings)	1.394433	1.391014

**Atlantic City Electric Company**

## Development of PowerAhead Revenue Requirements

## Plant Closing Schedule

	(1) Jan-19	(2) Feb-19	(3) Mar-19	(4) Apr-19	(5) May-19	(6) Jun-19	(7) Total
Plant Closings	\$ 1,536,517	\$ 1,608,236	\$ 1,671,898	\$ 1,969,762	\$ 880,969	\$ 1,401,555	\$ 9,068,936
Total	<u>\$ 1,536,517</u>	<u>\$ 1,608,236</u>	<u>\$ 1,671,898</u>	<u>\$ 1,969,762</u>	<u>\$ 880,969</u>	<u>\$ 1,401,555</u>	<u>\$ 9,068,936</u>
Cumulative	<u>\$ 1,536,517</u>	<u>\$ 3,144,752</u>	<u>\$ 4,816,651</u>	<u>\$ 6,786,413</u>	<u>\$ 7,667,382</u>	<u>\$ 9,068,936</u>	<u>\$ 9,068,936</u>

**Atlantic City Electric Company**  
**MACRS Tax Depreciation Rates**

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

# Attachment 2





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

Rate Schedule  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ RS 253,156,309  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 269,927,914

1	2	3	4	5	6	7 = 2 x (4+6)	8	9	10	11 = 2 x (8+10)	12	13 = 2 x (9+12)	
Blocks	Normalized Billing Determinants	Current Distribution Rates (including SUT)	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	Proposed Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (w/o SUT)	Proposed Distribution Rates (including SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %
CUSTOMER	5,874,548	\$ 5.77	\$ 5.410000			\$ 31,781,305	\$ 5.41			\$ 31,781,305	\$ 5.77	\$ 33,896,142	
SUM First 750 KWh	1,042,134,494	\$ 0.065467	\$ 0.061399	\$ (0.004884)	\$ (0.004581)	\$ 59,212,478	\$ 0.061474	\$ (0.004884)	\$ (0.004581)	\$ 59,280,804	\$ 0.065547	\$ 63,219,005	
SUM > 750 KWh	659,045,318	\$ 0.076211	\$ 0.071476	\$ (0.004884)	\$ (0.004581)	\$ 44,087,140	\$ 0.071551	\$ (0.004884)	\$ (0.004581)	\$ 44,136,674	\$ 0.076291	\$ 47,060,449	
WIN	2,281,974,074	\$ 0.059915	\$ 0.056192	\$ (0.004884)	\$ (0.004581)	\$ 117,776,015	\$ 0.056267	\$ (0.004884)	\$ (0.004581)	\$ 117,947,527	\$ 0.059995	\$ 125,761,873	
TOTAL ENERGY	3,983,153,885					\$ 221,075,633				\$ 221,375,004		\$ 236,041,327	
TOTAL REVENUE						<u>\$ 252,856,938</u>				<u>\$ 253,156,309</u>		<u>\$ 269,937,469</u>	0.1184%
												\$ (9,585)	

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

Rate Schedule MGS SECONDARY  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 76,215,537  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 81,264,816

BLOCK	1	2	3	4	5	6	7 = 2 x (4+6) Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	8	9	10	11 = 2 x (8+10) Recovery under Proposed Distribution Rates (w/o SUT)	12	13 = 2 x (9+12) Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %	
BLOCK	Billing Determinants		Current Distribution Rates (including SUT)	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)		Proposed Rate (including SUT)			
CUSTOMER															
Single Phase Service	448,562	\$	9.96	\$			\$ 4,189,097	\$	9.34		\$ 4,189,097	\$	9.96	\$ 4,467,678	
3 Phase Service	159,641	\$	11.59	\$			\$ 1,735,462	\$	10.87		\$ 1,735,462	\$	11.59	\$ 1,850,436	
DEMAND CHARGE - All KWs															
Summer	2,183,636	\$	2.68	\$			\$ 5,491,801	\$	2.52		\$ 5,497,622	\$	2.68	\$ 5,852,144	
Winter	3,281,892	\$	2.20	\$			\$ 6,771,397	\$	2.07		\$ 6,780,146	\$	2.20	\$ 7,220,161	
REACTIVE DEMAND	49,310	\$	0.58	\$			\$ 26,664	\$	0.54		\$ 26,664	\$	0.58	\$ 28,600	
ENERGY CHARGE															
Summer	505,480,023	\$	0.057395	\$	(0.004789)	(0.004491)	\$ 24,938,945	\$	0.053868	(0.004789)	(0.004491)	\$ 24,969,203	\$	0.057459	\$ 26,623,633
Winter	756,777,190	\$	0.051244	\$	(0.004789)	(0.004491)	\$ 32,972,042	\$	0.048120	(0.004789)	(0.004491)	\$ 33,017,342	\$	0.051308	\$ 35,204,518
<b>TOTAL</b>	<u>1,262,257,212</u>						<u>\$ 76,125,408</u>				<u>\$ 76,215,537</u>		<u>\$ 81,247,170</u>	0.1184%	
													\$ 17,646		

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

Rate Schedule MGS PRIMARY  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 1,441,232  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 1,536,714

BLOCK	1 Billing Determinants	2	3 Current Distribution Rates	4 Current Distribution Rates (w/o SUT)	5 EDIT Credit (Including SUT)	6 EDIT Credit (w/o SUT)	7 = 2 x (4+6) Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	8 Proposed Distribution Rates (w/o SUT)	9 EDIT Credit (Including SUT)	10 EDIT Credit (w/o SUT)	11 = 2 x (8+10) Recovery under Proposed Distribution Rates (w/o SUT)	12 Proposed Rate (Including SUT)	13 = 2 x (9+12) Recovery under Proposed Distribution Rates (Including SUT)	Revenue Change %										
CUSTOMER																								
Single Phase Service	558	\$	14.70	\$	13.79	\$	7,893	\$	13.79		\$	7,893	\$	14.70	\$	8,203								
3 Phase Service	573	\$	15.97	\$	14.98	\$	8,582	\$	14.98		\$	8,582	\$	15.97	\$	9,151								
DEMAND CHARGE																								
SUM > 3 KW	60,159	\$	1.57	\$	1.47	\$	88,581	\$	1.47		\$	88,666	\$	1.57	\$	94,450								
WIN > 3 KW	97,120	\$	1.22	\$	1.14	\$	111,124	\$	1.15		\$	111,262	\$	1.22	\$	118,486								
REACTIVE DEMAND	53,681	\$	0.43	\$	0.40	\$	21,649	\$	0.40		\$	21,649	\$	0.43	\$	23,083								
ENERGY CHARGE																								
SUM < 300KWh	11,180,577	\$	0.044214	\$	0.041467	\$	(0.004098)	\$	(0.003843)	\$	420,652	\$	0.041512	\$	(0.004098)	\$	(0.003843)	\$	421,160	\$	0.044262	\$	451,904	
WIN < 300 KWh	21,445,422	\$	0.042941	\$	0.040273	\$	(0.004098)	\$	(0.003843)	\$	781,247	\$	0.040318	\$	(0.004098)	\$	(0.003843)	\$	782,221	\$	0.042989	\$	839,494	
<b>TOTAL</b>	<u>32,625,999</u>						<u>\$ 1,439,528</u>				<u>\$ 1,441,232</u>		<u>\$ 1,544,770</u>						<u>\$ (8,056)</u>					0.1184%

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

Rate Schedule **AGS SECONDARY**  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 59,392,577  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 63,327,336

BLOCK	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %	
CUSTOMER	40,934	\$ 193.22	\$ 181.21			\$ 7,417,809	\$ 181.21	\$ 7,417,809	\$ 193.22			\$ 7,909,267		
DEMAND CHARGE	5,438,743	\$ 11.07	\$ 10.39			\$ 56,481,894	\$ 10.40	\$ 56,552,129	\$ 11.09			\$ 60,315,659		
REACTIVE DEMAND	418,768	\$ 0.86	\$ 0.81			\$ 339,202	\$ 0.81	\$ 339,202	\$ 0.86			\$ 360,141		
ENERGY CHARGE	1,882,328,532			\$ (0.002785)	\$ (0.002612)	\$ (4,916,563)		\$ (4,916,563)	\$ (0.002785)	\$ (0.002612)		\$ (5,242,285)		
<b>TOTAL REVENUE</b>						<u>\$ 59,322,342</u>		<u>\$ 59,392,577</u>				<u>\$ 63,342,783</u>	0.1184%	
								\$						

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

Rate Schedule AGS PRIMARY  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 11,500,545  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 12,262,456

BLOCK	1 Billing Determinants	2 Current Distribution Rates	3 Current Distribution Rates (w/o SUT)	4 EDIT Credit (including SUT)	5 EDIT Credit (w/o SUT)	6 Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	7 Preliminary Distribution Rate (w/o SUT)	8 Recovery under Preliminary Distribution Rates (w/o SUT)	9 Proposed Rate (including SUT)	10 EDIT Credit (including SUT)	11 EDIT Credit (w/o SUT)	12 Recovery under Proposed Distribution Rates (including SUT)	13 Recovery under Proposed Distribution Rates (including SUT)	14 Revenue Change %
CUSTOMER	1,498	\$ 744.15	\$ 697.91			\$ 1,045,473	\$ 697.91	\$ 1,045,473	\$ 744.15			\$ 1,114,737		
DEMAND CHARGE	1,351,130	\$ 8.82	\$ 8.27			\$ 11,172,478	\$ 8.28	\$ 11,186,078	\$ 8.83			\$ 11,930,480		
REACTIVE DEMAND	247,802	\$ 0.67	\$ 0.63			\$ 156,115	\$ 0.63	\$ 156,115	\$ 0.67			\$ 166,027.27		
ENERGY CHARGE	583,524,109			\$ (0.001621)	\$ (0.001520)	\$ (887,121)		\$ (887,121)		\$ (0.001621)	\$ (0.001520)	\$ (945,892.58)		
TOTAL REVENUE						<u>\$ 11,486,945</u>		<u>\$ 11,500,545</u>				<u>\$ 12,265,351</u>		0.1184%
							\$					\$ 2,895		

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

Rate Schedule TGS SUB TRANSMISSION  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 3,529,624  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 3,763,461

BLOCK	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Billing Determinants	Current Distribution Rates	Current Distribution Rates (w/o SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	Preliminary Distribution Rate (w/o SUT)	Recovery under Preliminary Distribution Rates (w/o SUT)	Proposed Rate (including SUT)	EDIT Credit (including SUT)	EDIT Credit (w/o SUT)	Recovery under Proposed Distribution Rates (including SUT)	Revenue Change %	
CUSTOMER														
<5000 KW	317	\$ 131.75	\$ 123.56			\$ 39,170	\$ 123.56	\$ 39,170	\$ 131.75			\$ 41,765		
5000 - 9000 KW	75	\$ 4,363.57	\$ 4,092.45			\$ 306,933	\$ 4,092.45	\$ 306,933	\$ 4,363.57			\$ 327,268		
>9000 KW	39	\$ 7,921.01	\$ 7,428.85			\$ 289,725	\$ 7,428.85	\$ 289,725	\$ 7,921.01			\$ 308,919		
DEMAND CHARGE														
<5000 KW	449,777	\$ 3.78	\$ 3.55			\$ 1,594,520	\$ 3.55	\$ 1,596,140	\$ 3.78			\$ 1,700,157		
5000 - 9000 KW	392,725	\$ 2.91	\$ 2.73			\$ 1,071,622	\$ 2.73	\$ 1,073,237	\$ 2.91			\$ 1,142,830		
>9000 KW	316,183	\$ 1.45	\$ 1.36			\$ 429,979	\$ 1.36	\$ 431,118	\$ 1.45			\$ 458,465		
REACTIVE DEMAND														
<5000 KW	113,948	\$ 0.52	\$ 0.49			\$ 55,571	\$ 0.49	\$ 55,571	\$ 0.52			\$ 59,252.99		
5000 - 9000 KW	71,151	\$ 0.52	\$ 0.49			\$ 34,700	\$ 0.49	\$ 34,700	\$ 0.52			\$ 36,998.75		
>9000 KW	60,239	\$ 0.52	\$ 0.49			\$ 29,378	\$ 0.49	\$ 29,378	\$ 0.52			\$ 31,324.50		
ENERGY CHARGE	575,156,494			\$ (0.000605)	\$ (0.000567)	\$ (326,349)		\$ (326,349)		\$ (0.000605)	\$ (0.000567)	\$ (347,970)		
TOTAL REVENUE						\$ 3,525,450		\$ 3,529,624				\$ 3,759,011	0.1184%	

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

Rate Schedule TGS TRANSMISSION  
Distribution Functional Revenue Requirements Total (w/o SUT) \$ 2,143,996  
Distribution Functional Revenue Requirements Total (w/ SUT) \$ 2,286,035

BLOCK	1 Billing Determinants	2 Current Distribution Rates	3 Current Distribution Rates (w/o SUT)	4 EDIT Credit (including SUT)	5 EDIT Credit (w/o SUT)	6 Calculated Rate Class Revenue under Current Distribution Rates (w/o SUT) (See Note 1)	7 Preliminary Distribution Rate (w/o SUT)	8 Recovery under Preliminary Distribution Rates (w/o SUT)	9 Proposed Rate (including SUT)	10 EDIT Credit (including SUT)	11 EDIT Credit (w/o SUT)	12 Recovery under Proposed Distribution Rates (including SUT)	13 Revenue Change	14 %
CUSTOMER														
<5000 KW	75	\$ 128.21	\$ 120.24			\$ 9,018	\$ 120.24	\$ 9,018	\$ 128.21			\$ 9,616		
5000 - 9000 KW	57	\$ 4,246.42	\$ 3,982.57			\$ 227,007	\$ 3,982.57	\$ 227,007	\$ 4,246.42			\$ 242,048		
>9000 KW	51	\$ 19,316.15	\$ 18,115.97			\$ 923,914	\$ 18,115.97	\$ 923,914	\$ 19,316.15			\$ 985,124		
DEMAND CHARGE														
<5000 KW	223,373	\$ 2.94	\$ 2.76			\$ 615,912	\$ 2.76	\$ 616,637	\$ 2.94			\$ 656,716		
5000 - 9000 KW	221,139	\$ 2.27	\$ 2.13			\$ 470,796	\$ 2.13	\$ 471,513	\$ 2.27			\$ 501,986		
>9000 KW	337,169	\$ 0.14	\$ 0.13			\$ 44,271	\$ 0.13	\$ 45,364	\$ 0.14			\$ 47,204		
REACTIVE DEMAND														
<5000 KW	86,421	\$ 0.50	\$ 0.47			\$ 40,526	\$ 0.47	\$ 40,526	\$ 0.50			\$ 43,210		
5000 - 9000 KW	71,851	\$ 0.50	\$ 0.47			\$ 33,693	\$ 0.47	\$ 33,693	\$ 0.50			\$ 35,926		
>9000 KW	110,424	\$ 0.50	\$ 0.47			\$ 51,782	\$ 0.47	\$ 51,782	\$ 0.50			\$ 55,212		
ENERGY CHARGE	466,202,972			\$ (0.000630)	\$ (0.000591)	(275,459)		(275,459)		\$ (0.000630)	\$ (0.000591)	(293,708)		
TOTAL REVENUE						<u>\$ 2,141,460</u>		<u>\$ 2,143,996</u>				<u>\$ 2,283,332</u>		0.1184%





**Atlantic City Electric Company**  
Development of Proposed Distribution Rate  
Rate Design Worksheet  
Stand By Rate

Rate Schedule	Demand Rates (\$/kW)		Standby Rates (\$/kW)		Distribution Standby Factor
		<u>Distribution</u>		<u>Distribution</u>	
MGS Secondary	\$	2.39	\$	0.15	0.060975610
MGS Primary	\$	1.35	\$	0.14	0.101604278
AGS Secondary	\$	11.09	\$	1.13	0.101604278
AGS Primary	\$	8.83	\$	0.90	0.101604278
TGS - Sub Transmission	\$	-	\$	-	0.101604278
TGS Transmission	\$	-	\$	-	

Atlantic City Electric Company  
LED Street Lighting Rate Design

SPL	Cobra Head					Decorative 150 W	Post Top		Shoe Box			Tear Drop		Floodlighting			
	50 W	Equivalent Light Size (Watts)					Equivalent Light Size (Watts)		Equivalent Light Size (Watts)			100 W	150 W	150 W	250 W	400 W	1000 W
		70 W	100 W	150 W	250 W		70 W	100 W	100 W	150 W	250 W						
Distribution System Fixed Charge	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70
Monthly Light Fixture Fixed Charge	\$ 4.58	\$ 4.83	\$ 5.04	\$ 5.49	\$ 6.67	\$ 14.58	\$ 6.89	\$ 7.34	\$ 5.81	\$ 6.57	\$ 6.99	\$ 13.28	\$ 13.26	\$ 11.50	\$ 12.09	\$ 14.36	\$ 15.06
Monthly O&M Charge - Non-Luminaire Overhead/Underground	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Total Charge - Overhead	\$ 7.53	\$ 7.78	\$ 7.99	\$ 8.44	\$ 9.62	\$ 17.53	\$ 9.84	\$ 10.29	\$ 8.76	\$ 9.52	\$ 9.94	\$ 16.21	\$ 16.21	\$ 14.45	\$ 15.04	\$ 17.31	\$ 18.01
Regulatory Assessment	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.02	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Total Rate without SUT	\$ 7.55	\$ 7.80	\$ 8.00	\$ 8.46	\$ 9.64	\$ 17.58	\$ 9.86	\$ 10.32	\$ 8.78	\$ 9.55	\$ 9.96	\$ 16.25	\$ 16.25	\$ 14.48	\$ 15.08	\$ 17.35	\$ 18.05
Total Rate with SUT (6.625%)	\$ 8.05	\$ 8.32	\$ 8.54	\$ 9.02	\$ 10.28	\$ 18.74	\$ 10.51	\$ 11.00	\$ 9.36	\$ 10.18	\$ 10.62	\$ 17.32	\$ 17.32	\$ 15.44	\$ 16.08	\$ 18.50	\$ 19.25
Total Rate After PowerAhead without SUT	\$ 7.55	\$ 7.81	\$ 8.01	\$ 8.47	\$ 9.65	\$ 17.60	\$ 9.87	\$ 10.33	\$ 8.79	\$ 9.56	\$ 9.97	\$ 16.26	\$ 16.26	\$ 14.50	\$ 15.10	\$ 17.37	\$ 18.07
Total Rate After PowerAhead with SUT (6.625%)	\$ 8.05	\$ 8.33	\$ 8.55	\$ 9.04	\$ 10.29	\$ 18.76	\$ 10.53	\$ 11.02	\$ 9.37	\$ 10.19	\$ 10.63	\$ 17.34	\$ 17.34	\$ 15.46	\$ 16.10	\$ 18.52	\$ 19.27
<b>Underground Offerings</b>																	
Total Rate without SUT	\$14.17	\$14.43	\$14.63	\$15.09	\$16.27	\$24.21	\$16.49	\$16.95	\$15.41	\$16.18	\$16.59	\$22.87	\$22.87	\$21.11	\$21.71	\$23.98	\$24.68
Total Rate with SUT (6.625%)	\$15.11	\$15.39	\$15.60	\$16.09	\$17.35	\$25.81	\$17.58	\$18.07	\$16.43	\$17.25	\$17.69	\$24.39	\$24.39	\$22.51	\$23.15	\$25.57	\$26.32
Total Rate After PowerAhead without SUT	\$14.19	\$14.45	\$14.65	\$15.11	\$16.29	\$24.24	\$16.51	\$16.97	\$15.42	\$16.20	\$16.61	\$22.90	\$22.90	\$21.14	\$21.73	\$24.01	\$24.71
Total Rate After PowerAhead with SUT (6.625%)	\$15.13	\$15.41	\$15.62	\$16.11	\$17.37	\$25.84	\$17.60	\$18.09	\$16.45	\$17.27	\$17.71	\$24.42	\$24.42	\$22.54	\$23.17	\$25.60	\$26.35



**Atlantic City Electric Company**  
Induction Street Lighting Rate Design

**SPL**

	<b>Induction OH</b>				<b>Induction UG</b>			
	Equivalent Light Size (Watts)				Equivalent Light Size (Watts)			
	50 W	70 W	150	250	50 W	70 W	150	250
Total Rate without SUT	\$ 9.21	\$ 9.74	\$ 10.02	\$ 11.31	\$ 15.66	\$ 16.20	\$ 16.49	\$ 17.78
Total Rate with SUT (6.625%)	\$ 9.82	\$ 10.38	\$ 10.68	\$ 12.06	\$ 16.70	\$ 17.27	\$ 17.58	\$ 18.96
Total Rate After PowerAhead without SUT	\$ 9.22	\$ 9.75	\$ 10.03	\$ 11.32	\$ 15.68	\$ 16.22	\$ 16.51	\$ 17.80
Total Rate After PowerAhead with SUT (6.625%)	\$ 9.83	\$ 10.39	\$ 10.69	\$ 12.07	\$ 16.72	\$ 17.29	\$ 17.60	\$ 18.98

**CSL**

	<b>Induction OH</b>			
	Equivalent Light Size (Watts)			
	50 W	70 W	150	250
Total Rate without SUT	\$ 2.96	\$ 2.96	\$ 2.96	\$ 2.96
Total Rate with SUT (6.625%)	\$ 3.15	\$ 3.15	\$ 3.15	\$ 3.15
Total Rate After PowerAhead without SUT	\$ 2.96	\$ 2.96	\$ 2.96	\$ 2.96
Total Rate After PowerAhead with SUT (6.625%)	\$ 3.16	\$ 3.16	\$ 3.16	\$ 3.16

I/M/O the Petition of Atlantic City Electric Company for Approval of Electric Base Rate  
Adjustments Pursuant to the PowerAhead Program (5/2019)  
BPU Docket No. ER19050550

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