



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

ENERGY

IN THE MATTER OF THE PETITION OF ATLANTIC)
CITY ELECTRIC COMPANY FOR APPROVAL OF AN)
INFRASTRUCTURE INVESTMENT PROGRAM, AND)
RELATED COST RECOVERY MECHANISM,)
PURSUANT TO N.J.A.C. 14:3-2A.1, et seq.)
ORDER MODIFYING)
STIPULATION)
DOCKET NO. EO18020196

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:

On April 18, 2019, the New Jersey Board of Public Utilities ("Board") issued an Order ("April 2019 Order") approving a Stipulation of Settlement ("Stipulation") entered in the Atlantic City Electric Company Infrastructure Investment Program in Docket No. EO18020196. The April 2019 Order provided ACE with approval to invest approximately \$96 million of capital investments with accelerated cost recovery. A specific tenant of the Stipulation and the April 2019 Order set forth a schedule for roll ins related to investments.

The first roll in was to be filed on November 1, 2019, with rates in effect by April 1, 2020 (and reflect six (6) months of investments from July 1, 2019 through December 31, 2019). The second roll in was to be filed on November 1, 2020 (and reflect one (1) year of investments from January 1, 2020 through December 31, 2020).

On October 25, 2019, ACE filed a letter requesting a modification of the Stipulation that was approved in the April 2019 Order. Specifically, ACE requested to modify the roll in schedule to allow for the first filing to be made on May 1, 2020 with rates to be effective October 1, 2020 (for investments made between July 1, 2019 and June 30, 2020) and the second filing to be made on November 1, 2020 (for investments made between July 1, 2020 and December 31, 2020).

In the letter, ACE indicated that the Company concluded that although progress is being made on the projects, it was unlikely that \$9.6 million would be placed in service to meet the \$9.6 million filing threshold for its initial November 1, 2019 rate filing. ACE further indicated that there were several reasons the Company has been challenged to meet the \$9.6 million threshold including: (1) initiating spending on some projects prior to the beginning of the July 1, 2019 investment period; (2) the projected in service date for some projects; and (3) significant spending is presently scheduled to occur in the fourth quarter of 2019, but could be subject to weather or other delays.

No objection to the request was received by any party.

Accordingly, based on the Board's review and consideration of the request, the Board **HEREBY MODIFIES** the Stipulation as requested by ACE. ACE's first roll in must be filed by May 1, 2020 for investments made between July 1, 2019 and June 30, 2020. No other provision of the Stipulation is modified by this Order.

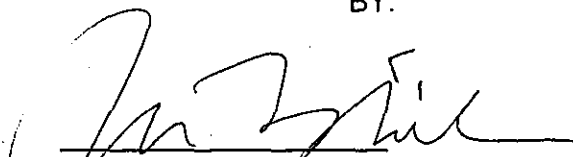
Additionally, the Board notes that ACE also had to delay the first roll in of its PowerAhead Program, which was approved by the Board in 2017.¹ Pursuant to subchapter N.J.A.C. 14:3-2A.1 et seq. ("II&R Rules"), the Board established a regulatory mechanism supporting Infrastructure Investment Programs ("IIPs"). The II&R Rules allow the Board to require that the utility retain an independent Infrastructure Investment Program monitor, as a condition of approval of the utility's petition, to review and provide quarterly or semi-annual reports to the Board and to the New Jersey Division of Rate Counsel ("Rate Counsel"), where the monitor shall be paid by the utility. (N.J.A.C. 14:3-2A.5). Accordingly, the Board **HEREBY ORDERS** ACE to retain an independent monitor, following consultation with Board Staff and Rate Counsel, no later than March 1, 2020.

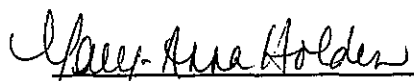
The Company's costs, including those related to the Program, will remain subject to audit by the Board. This Decision and Order shall not preclude, nor prohibit, the Board from taking any actions determined to be appropriate as a result of any such audit.

This Order shall be effective on November 23, 2019.

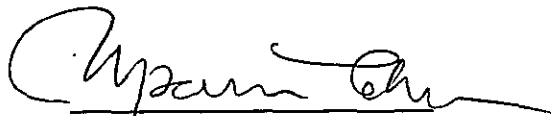
DATED: 11/13/19

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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.

¹ 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, (May 31, 2017),

IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR
APPROVAL OF AN INFRASTRUCTURE INVESTMENT PROGRAM, AND RELATED COST
RECOVERY MECHANISM, PURSUANT TO N.J.A.C. 14:3-2A.1 et seq.
BPU DOCKET NO. EO18020196

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