

**NOTICE OF
FILING AND PUBLIC HEARINGS
TO CUSTOMERS OF
ATLANTIC CITY ELECTRIC COMPANY**

**In the Matter of the Petition of Atlantic City Electric Company to Reconcile
and Update the Level of Its Non-Utility Generation Charge and Its Societal
Benefits Charge (2020)
BPU Docket No. ER20010088**

PLEASE TAKE NOTICE that, on or about January 31, 2020, Atlantic City Electric Company (“ACE” or the “Company”) filed a Petition (the “Petition”) with the New Jersey Board of Public Utilities (the “Board” or “BPU”) to reconcile, update, and approve proposed changes to the Company’s Non-Utility Generation Charge (“NGC”) and Societal Benefits Charge (“SBC”). ACE’s NGC provides for recovery of the above-market portion of payments made under the Company’s non-utility generation (“NUG”) contracts and certain costs associated with such commitments. ACE’s SBC was established by the Board pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq., to recover costs related to the Universal Service Fund and Lifeline social programs, the Board’s Clean Energy Program (“CEP”), and the Company’s Uncollectible Accounts Charges (“UNC”).

As filed, the Petition proposed to reset the NGC for the period June 1, 2020 through May 31, 2021, based upon a projected deferred balance on March 31, 2020, inclusive of projected customer revenue through May 31, 2020, and associated forecasted above market NUG costs for the period April 1, 2020 through March 31, 2021. The Company has also proposed to modify specific cost components of the SBC by adjusting the UNC and CEP components of the SBC based upon projected deferred balances as of March 31, 2020, inclusive of projected customer revenue through May 31, 2020, and the projected expenses for the period April 1, 2020 through March 31, 2021.

The Company’s latest quarterly report, which highlighted the under-recovered balance as of March 31, 2020, inclusive of projected customer revenue through May 31, 2020, was submitted on or about January 31, 2020.

The NGC component is based on actual expenditures through March 31, 2020, and projected data through March 31, 2021. The effect of the change in the NGC component for this period results in a \$15.265 million increase to be recovered over the period June 1, 2020 through May 31, 2021.

The UNC component is based on actual expenditures through March 31, 2020 and projected data through March 31, 2021. The effect of the change in the UNC component for this period results in an increase of \$2.034 million to be recovered over the period June 1, 2020 through May 31, 2021.

The Company’s Petition also included ACE’s proposed adjustments to the CEP component of the SBC based upon actual expenditures as of March 31, 2020, and projected data through March 31, 2021. The effect of the change in the CEP component for this period results in a decrease of \$0.498 million to be returned over the period June 1, 2020 through May 31, 2021.

The net effect of all proposed changes is an annual increase of \$16.801 million.

On April 9, 2020, the Company submitted an update to provide actual results through March 2020.

The following table demonstrates the Company's proposed rates based upon actual data as of March 31, 2020:

Rate Schedule	NGC	SBC (CEP & UNC)
Residential	\$0.014007	\$0.003924
MGS Secondary	\$0.014046	\$0.003924
MGS Primary	\$0.013678	\$0.003924
AGS Secondary	\$0.014046	\$0.003924
AGS Primary	\$0.013678	\$0.003924
TGS	\$0.013390	\$0.003924
SPL/CSL	\$0.014046	\$0.003924
DDC	\$0.014046	\$0.003924

The effect of the changes in the NGC and SBC charges on typical residential customer's monthly electric bill using 679 kWh represents an increase of approximately \$1.34 or 1.03 percent. Residential customers using other monthly usage amounts, based on the Company's proposed rates, are illustrated below:

Monthly kWh Use	Present Bill	Proposed Bill	Increase (\$)	Increase (%)
100	\$24.11	\$24.31	\$0.20	0.83%
300	\$60.80	\$61.39	\$0.59	0.97%
500	\$97.50	\$98.48	\$0.98	1.01%
750	\$143.35	\$144.83	\$1.48	1.03%
1000	\$190.94	\$192.91	\$1.97	1.03%
2000	\$381.26	\$385.20	\$3.94	1.03%
2500	\$476.42	\$481.35	\$4.93	1.03%
3000	\$571.59	\$577.50	\$5.91	1.03%

It is important to note that the resolution of this Petition and the reconciliation of these accounts will not result in any profit to the Company.

The Board has the statutory and regulatory authority to approve and establish the reconciliation of these accounts and charges at levels it finds just and reasonable. Therefore, the BPU may determine and establish these charges at levels other than those proposed by ACE.

This Petition was filed with the Board and copies were also served upon Rate Counsel. Copies of the Petition are posted on ACE's website at www.atlanticcityelectric.com/PublicPostings.

The following date, time(s), and location for virtual public hearings have been scheduled on the Petition so that members of the public may present their views:

Date: May 12, 2020	Date: May 12, 2020
Time: 4:30 P.M.	Time: 5:30 P.M.
Dial-in Number: 1-855-470-3100	Dial-in Number: 1-855-470-3100
Passcode: 617161#	Passcode: 617161#

Due to the COVID-19 pandemic, a telephonic hearing on the Petition will be conducted at the date and times listed above by a hearing officer designated by the Board. Representatives of the Board's Staff and the Division of Rate Counsel will participate via phone in the public hearing. Members of the public are invited to listen and participate by phone via the above designated dial-in number and passcode and may express their views on this filing. Such comments will be made a part of the final record of the proceeding to be considered by the Board. Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625-0350 or board.secretary@bpu.nj.gov, whether or not they participate in the public hearings.

Atlantic City Electric Company