



State of New Jersey
DEPARTMENT OF THE PUBLIC ADVOCATE
DIVISION OF RATE COUNSEL
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JON S. CORZINE
Governor

RONALD K. CHEN
Public Advocate
STEFANIE A. BRAND, ESQ.
Director

November 19, 2007

Honorable Kristi Izzo, Secretary
New Jersey Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

**Re: I/M/O Atlantic City Electric Company Pursuant to N.J.S.A.
48:2-13 and N.J.S.A. 48:3-9 for Authority to Issue Short-Term
Indebtedness Prior to January 1, 2010
BPU Docket No. EF07080625**

Dear Secretary Izzo:

The Division of Rate Counsel ("Rate Counsel") filed comments with the Board of Public Utilities ("Board") regarding the above-referenced matter on October 26, 2007. By letter dated November 6, 2007, Atlantic City Electric Company ("ACE" or "Company") filed a reply to Rate Counsel's comments with the Board. Please accept this letter as a response to ACE's November 6, 2007 reply.

In its reply, ACE objected to a recommendation made in Rate Counsel's comments to include a provision in the anticipated Board order that would require ACE to secure competitive bids from at least three commercial paper dealers on each day that ACE determines it requires short-term funds in the form of commercial paper. Among other reasons, ACE claims it cannot commit to obtaining bids from three dealers because, according to ACE, it may not be possible to secure three bids each time it wishes to issue commercial paper. As an alternative to Rate Counsel's recommendation, ACE suggests including language in the Board order requiring ACE to make "commercially reasonable efforts to obtain competitive bids from at least two (2) commercial paper dealers."

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Rate Counsel does not object to ACE's suggestion requiring the Company to obtain competitive bids from a minimum of two commercial paper dealers rather than the three initially suggested by Rate Counsel. Rate Counsel recommends that the language suggested in Rate Counsel's comments be modified to reflect a minimum of two bids rather than three bids.

Respectfully Submitted,

RONALD K. CHEN
PUBLIC ADVOCATE

Stefanie A. Brand
Director, Division of Rate Counsel

By: s/ Christine M. Juarez
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CMJ/lg

c: Service list (via electronic mail and U.S. regular mail)