



Company Leaders Change Posts

Talented Executives All Have Local Roots

Pepco Holdings Inc. (PHI), parent company of Atlantic City Electric and sister utilities Delmarva Power and Pepco, recently announced three significant leadership changes resulting from promotions. Vince Maione replaced Ken Parker as Atlantic City Electric Region President. Parker now serves as Vice President, Public Policy for PHI. Joseph Rigby is now Chairman of the Board, Chief Executive Officer and President of PHI – effective June 1.

As Region President, Maione is responsible for managing relationships with government, community and customer stakeholders and influencing public policy and utility regulations; Parker will determine the corporation's federal and state public policy positions; and Rigby will work with the board to set direction and execute business

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Electric System Reliability Update *Region Ready for Summer Demands*

Long before customers switch on air conditioners, Ocean City shop owners order supplies or casinos place help wanted ads in The Press -- Atlantic City Electric is hard at work preparing for the peak summer season. Millions of Garden State residents and visitors depend on us for their lives and leisure so we do our best to ensure reliable electric service every day.

We prepare by assessing utility equipment, systems and structures to ensure all have the capacity to handle forecasted loads – taking into account the potential for extreme weather and the variations caused by economic conditions. As equipment reaches full capacity, we take steps to upgrade or install new equipment. We also ensure our staff and procedures are summer-ready by conducting internal exercises and emergency simulations.

From 2004-2008, Atlantic City Electric completed more than \$700 million in infrastructure enhancement projects to strengthen South Jersey's electric transmission and distribution system. More than two-thirds of that expense was associated with new customer growth, reliability and construction upgrades.

As part of the preparation for this summer, we installed new equipment at our 230-kilovolt substation in the Cardiff area of Atlantic County for greater efficiency.

Additionally, we replaced a high voltage transformer in Monroe Township, Gloucester County to improve service for homes and businesses in that area. Looking forward from 2009 through 2013, we expect to invest another \$700 million – including \$100 million for PJM transmission upgrades.

Although we have no control over weather conditions and other factors that can cause temporary losses in power, we plan to avert, minimize and restore outages as safely and quickly as possible.



Multi-million Dollar Electric Infrastructure Project Schedule is Accelerated

Program Creates New Jobs, Improved Efficiency and Increased Service Reliability

Atlantic City Electric is accelerating the investment of \$27.6 million for a series of 16 infrastructure projects that will enhance the electric system's efficiency and reliability. The initiative, which supports Gov. Corzine's request for utilities to accelerate their spending on capital improvement plans, will create nearly 100 jobs, bolstering the state's economic and employment figures.

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Employee Efforts Assist Health and Wellness Organizations

In the midst of a tough economy and escalated unemployment, Atlantic City Electric employees demonstrate it's more important than ever to donate time and financial resources to make a difference in the lives of others. This spring utility workers alongside their families, neighbors and friends raised nearly \$19,000 for two important health and wellness prevention and treatment organizations in New Jersey: March of Dimes and the American Heart Association.



A group of walkers from our Carneys Point facility raised nearly \$9,000 for the March of Dimes by participating in the April 25 March for Babies in Pennsville. Additionally, nearly 100 employee volunteers, family and friends participated in the Southern New Jersey Spring 2009 Start! Heart Walk held at the Ocean City Boardwalk on May 16. The heart walk helps to promote physical activity and heart-healthy living in a family friendly environment.

Public Affairs Manager Veronica (Ronnie) Town who spearheads many of the volunteer recruitment and fundraising efforts for the utility said, "My fellow workers give a lot of their personal time, money and effort in helping the communities we serve. I'm glad our efforts resulted in such generous donations to these two life-saving organizations."

Donald Elmer Receives Merit of Excellence Award Posthumously

Atlantic City Electric recently presented, posthumously, its third annual Merit of Excellence Award for Commitment to Public Safety to Donald Elmer for his outstanding leadership and service to public safety in southern New Jersey. His wife, Linda, accepted the award at the New Jersey Emergency Preparedness Conference.

"This award was created to help promote and honor an individual or organization that has committed time and talent to the residents and visitors in our region," said Tom Born, Atlantic City Electric Manager of Emergency Management. "It could not have been given to a more deserving individual who continuously gave in the name of safety and emergency preparedness."

Elmer, who died in January 2009, worked in the Camden County Department of Public Safety where he served as the Director of Communications and Emergency Management Coordinator. He held posts of president and treasurer of the State Association of County Emergency Management Coordinators and Deputy Coordinators. Additionally, Elmer served as past president of the Cherry Hill Policeman's Benevolent Association.

The utility's Merit of Excellence Award is an outgrowth of its Emergency Services Partnership Program, or ESPP, which helps build relationships with public safety and emergency services personnel in the municipalities we serve.

Golf Event Supports Local Families



Regional Food Banks Named as Beneficiaries

The 2009 Atlantic City Electric Fall Charity Golf Classic, scheduled for September 28 at Seaview Resort and Spa, will support:

- The Community Food Bank of New Jersey – Southern Branch
- The Food Bank of Southern New Jersey
- Food Banks of Southern Ocean County

Entering its fourth year, the golf classic has raised \$335,000 for non-profit agencies across southern New Jersey.

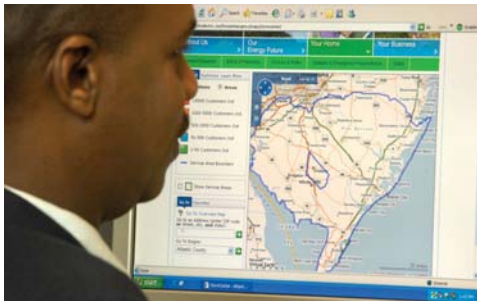
Utility Supports Atlantic County Environmental Education Efforts

For the third consecutive year, Atlantic City Electric was a lead sponsor of the Atlantic County Utilities Authority (ACUA) Earth Day celebration. The event took place at the ACUA Headquarters in Egg Harbor Twp. on April 26 where more than 5,000 people attended.

Utility representatives staffed displays and spoke with customers on a variety of energy-related topics including lighting efficiency, energy conservation and eco-friendly technologies the utility is planning to implement. The ACUA is a public agency that provides environmental and waste management services in Atlantic County and southern New Jersey including the operation of the Jersey-Atlantic Wind Farm in Atlantic City.



Customer Care Outreach Supervisor Sharon Burch demonstrates the efficiency of a compact fluorescent light bulb (CFL).



Access to Local Outage Information Now at your Fingertips

Atlantic City Electric now offers an improved outage map application on our Web site that provides greater information on outage status and restoration progress. The new map is more interactive than the previous version allowing users to pinpoint outages as close as one mile from the actual power outage.

By “hovering” the mouse over a location, users will see outage details such as the number of customers without power, ZIP codes affected and crew status information. The maps are accessible by going to atlanticcityelectric.com and clicking on “View Outage Maps.” The maps update every 10 minutes and provide a tutorial to assist with navigation.

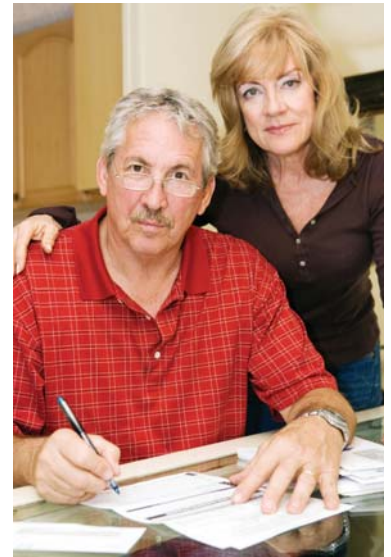
Public Works Safety Reminder

Lightening, heavy rain and strong winds can bring tree limbs and branches down onto power lines, which can cause electric service interruptions and dangerous conditions on roadways. When clearing debris or damaged vegetation after a storm, it is critical to use caution.

Atlantic City Electric urges all public works crews and emergency management officials to call us immediately at 1-800-833-7476 when they encounter fallen wires, tree branches contacting power lines or damaged electrical equipment in their work area. Always assume any electrical equipment is energized and dangerous. Once the public works crews call us, we will dispatch our trained professionals to make the area safe ensuring the safety of the crews, officials and the public.

Help Is Available to Pay Energy Bills

Today's tough economic times may make it more difficult for some South Jersey residents to keep up with their utility bills. We know that customers often turn to our local elected officials, government offices and local non-profits to help them find resources to assist with utility bills. To help you assist customers, we've compiled a list of agencies and funds that can provide financial aid to eligible customers:



- **New Jersey SHARES** offers assistance to those in financial crisis, needing temporary help. Contact New Jersey SHARES by calling **866-657-4273**, or visit njshares.org. Note: certified low-income customers are not eligible for SHARES funds and should seek help under the New Jersey Universal Service Fund (see below).
- **New Jersey's Universal Service Fund (USF)** program helps make energy bills more affordable for low-income customers. Program details are available by calling **866-240-1347**, or visit www.energyassistance.nj.gov.
- **Lifeline** is a utility assistance program that offers financial support to those who meet the Pharmaceutical Assistance to the Aged and Disabled (PAAD) or Supplemental Security Income (SSI) guidelines. This benefit includes utility customers as well as tenants whose utility bills are included in their rent. Call **800-792-9745** for information.
- **Atlantic City Electric Offers Budget Billing** to help customers who need to make a fixed payment each month to avoid fluctuating bills that result from winter heating or summer air conditioning use. Customers can learn more by calling **800-642-3780** or by visiting atlanticcityelectric.com.

Meter Reading Route Redesign Project a Success Changes Net Operational Efficiencies

Atlantic City Electric recently completed a redesign of its meter reading routing process spurred by customer growth in regions of our service territory. Due to this growth, many of the routes our meter readers drove were fragmented and/or improperly sequenced. Over time, these conditions led to workers travelling extra miles and expending too much time behind the wheel.

“The project required changing meter-reading dates for 337,000 of our 545,000 customers,” said Charlie Wimberg, Region Vice President. “From our customers’ perspective the revised meter reading dates had the potential to significantly alter their regular monthly payment routines including budget billing and direct debit amounts. We were very careful to give our customers numerous notices via several different communications channels to ensure they were adequately prepared. With the project complete, we are very happy to report that there were only a few minor issues that were quickly resolved,” Wimberg noted.



The utility expects the transition to achieve greater operational efficiencies for years to come. Additionally, by reducing the number of miles employees travel, we are minimizing safety hazards and carbon emissions – which will benefit all southern New Jersey residents.



Utility Tree Care Program Garners Accolades

For the fourth year, Atlantic City Electric received recognition as a Tree Line USA Utility by the National Arbor Day Foundation. The foundation selects utilities based on an array of tree care and education criteria including worker training, tree planting and public education. Company representatives attended the award ceremony on April 24

sponsored by the New Jersey Department of Environmental Protection.

"Across America, people are recognizing and celebrating how vital trees are to our cities and towns," said John Rosenow, Chief Executive of the Arbor Day Foundation. "Trees help reduce peak demand by conserving energy. They also clean the air and water, increase property value and make our homes more comfortable, livable places."

"Atlantic City Electric is firmly committed to environmental stewardship," said Bob Marshall, Region Vice President. "We work hard to ensure we have properly trained workers, quality tree care practices and provide good advice to our customers about planting the right tree in the right place -- away from our power lines and to help protect the environment".

N.J. Utilities Association Appoints Utility President to Board of Directors

The New Jersey Utilities Association (NJUA) recently appointed Atlantic City Electric Region President Vince Maione to their Board of Directors. NJUA serves the investor-owned public utilities in the state by providing a forum for the exchange of ideas and a unified public policy voice.

"I'm honored to be a part of the board and look forward to lending my energy, engineering and management expertise to the group to advance policies that benefit the state's residents, businesses and utilities," said Maione.

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strategies including – "smart" technologies and power line expansions.

All three were raised in southern New Jersey and combined, they have more than 75 years of experience with Atlantic City Electric. Maione began his career in 1984 with Atlantic City Electric in the company's commercial and industrial marketing department. Since then, he has held various positions within the company, including supervisor of distribution engineering, regional resource manager and Pepco Holdings Inc.'s Mid-Atlantic Power Pathway project manager.

Born in Naples, Italy, Maione lived most of his life in Hammonton, where he won two elections to the town council.



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Multi-million Dollar Electric Infrastructure Project

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"Beginning this summer, crews are being put to work on these infrastructure projects across South Jersey. We accelerated projects that were 'shovel-ready' and will provide direct benefits to the quality of our service," Vince Maione, Atlantic City Electric Region President, said. The work will include replacing older streetlights with high-efficiency sodium bulbs; installing specialized wire that aids in protecting the overhead utility lines from tree-related power outages; and modernizing our system with distribution automation equipment, a "smart technology" designed to optimize the utility's distribution system operation and directly improve electric service reliability.

"Not only do the projects create much needed growth in South Jersey's job sector and support the governor's economic development initiatives, they also improve the lives of our residential and business customers by providing greener, more efficient electric service," Maione said.

New Jersey Board of Public Utilities (BPU) President Jeanne Fox said, "These projects were carefully reviewed against strict criteria. By expediting expenditures on identified infrastructure needs, the projects can provide important support for our economy now, as requested by Gov. Corzine, and secure energy supply for future economic growth. In addition, by putting many of these projects out to bid in a slow economy, this work can be completed at a lower cost to ratepayers."

Customers will see a small surcharge on their monthly electric bill to finance the work. A typical residential customer who uses 1,000 kilowatt-hours per month will receive a small rate increase of 6 cents per month or .04 percent. The BPU will monitor implementation of the infrastructure projects through quarterly reports.

