

**NOTICE OF FILING OF AN
INFRASTRUCTURE INVESTMENT PROGRAM
AND PUBLIC COMMENT HEARINGS
TO CUSTOMERS OF
ATLANTIC CITY ELECTRIC COMPANY**

BPU Docket No. EO18020196

PLEASE TAKE NOTICE that, on or about February 28, 2018, Atlantic City Electric Company (“ACE” or the “Company”), a New Jersey public utility, filed a Petition (the “Petition”) with the New Jersey Board of Public Utilities (the “Board” or “BPU”), which has been docketed as BPU Docket No. EO18020196, seeking the Board's approval of (i) a proposed Infrastructure Investment Program (“IIP”) and (ii) a rate surcharge mechanism that will recover certain costs related to the IIP. Specifically, the Company is seeking approval of an IIP that includes \$338.2 million in investments to be made from 2019 to 2022 in infrastructure projects to enhance distribution system reliability, resiliency, and safety. The \$338.2 million ACE IIP includes eligible programs grouped in five categories: Targeted Reliability Improvement; Distribution Automation/Telecommunication; Infrastructure Renewal; Emergency; and, Facilities. If approved as proposed, the IIP will include a cost recovery mechanism (the “IIP Surcharge”) that will result in an increase in distribution-related charges. The IIP Surcharge will be set on a semi-annual basis, and will be subject to semi-annual true-ups to ensure the Company has not over-recovered its costs. The Company estimates that the rate impact of the IIP Surcharge will have an average cost of less than a 1% increase per year on the typical residential customer’s bill over the entire four-year life of the program. ACE notes that the IIP Surcharge will only reflect the costs of facilities that have actually been placed into service and are providing service to customers.

If the Board approves this request, ACE estimates the total four-year cumulative impact on the monthly bill for a typical residential customer (using approximately 716 kWh/month) will be an increase of \$4.82 or approximately 3.5%. The exact amount that your bill will increase depends upon the amount of electricity you use. A chart is included with this notice to help residential customers assess the impact of the proposed new rates on their monthly bills.

The Company has filed the following IIP Surcharge to be added to its existing tariff rates on file with the BPU. Any final rate adjustments found by the Board to be just and reasonable may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:3-4, and for other good and legally sufficient reasons, to any class or classes of customers of the Company. Therefore, the above-described charges may increase or decrease based upon the Board's decision.

As described in the Petition, rates will gradually increase on a semi-annual basis over the four-year life of the program. Set out in the chart below is the total, cumulative rate impact of the IIP Surcharge over the full term of the IIP. Residential customers can compare their monthly usage with the chart below to see how the IIP Surcharge, as proposed, will affect their bills over the term of the IIP:

Charges Under Previous Rates		
Monthly kWh Use	Winter	Summer
100	\$23.14	\$22.83
300	\$59.98	\$59.05
500	\$96.81	\$95.28
750	\$142.86	\$140.55
1000	\$188.91	\$190.34
1500	\$281.00	\$289.91
2000	\$373.09	\$389.47
3000	\$557.28	\$588.62
Charges Under Proposed Rates		
Monthly kWh Use	Winter	Summer
100	\$23.81	\$23.50
300	\$61.99	\$61.07
500	\$100.18	\$98.64
750	\$147.91	\$145.60
1000	\$195.64	\$197.07
1500	\$291.09	\$300.00
2000	\$386.55	\$402.93
3000	\$577.47	\$608.81

The chart below provides information as to the percentage rate change by customer class:

PERCENT CHANGE BY CUSTOMER CLASS

Rate Schedule	Percent Change by Customer Class
Residential	3.5%
Monthly General Service Secondary	3.3%
Monthly General Service Primary	2.9%
Annual General Service Secondary	1.7%
Annual General Service Primary	1.5%
Transmission General Service	0.3%
Street and Private Lighting/ Contributed Street Lighting	4.2%
Direct Distribution Connection	2.7%

A copy of this Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive or administrator of each municipality and county within the Company's service territory. The Petition and this Notice have also been served upon the Director of the Division of Rate Counsel (“Rate Counsel”), who will represent the interests of all ACE customers in this proceeding. Copies of ACE’s Petition are available for public inspection at ACE’s business office (5100 Harding Highway, Mays Landing, New Jersey 08330) during normal business hours and on ACE’s website at www.atlanticcityelectric.com/home/choice/nj/public/. The Petition may be reviewed at the Board’s main office, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625.

PLEASE TAKE FURTHER NOTICE that the Board has scheduled public comment hearings before Commissioner Dianne Solomon at the following times and place:

Date: Thursday, July 12, 2018	Date: Thursday, July 12, 2018
Time: 3:30 P.M.	Time: 5:30 P.M.
Location: Atlantic City Electric Company Offices 1 st Floor Conference Room 5100 Harding Highway Mays Landing, New Jersey 08330	Location: Atlantic City Electric Company Offices 1 st Floor Conference Room 5100 Harding Highway Mays Landing, New Jersey 08330

A BPU Staff representative and a representative from Rate Counsel will be present at the public hearings. Members of the public are invited to attend and 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 prior to voting on the matter. The public hearings will continue at the foregoing date, times, and location until all persons timely appearing have had a reasonable opportunity to be heard. Regardless of whether they attend the public hearings, members of the public may file written comments with the Board at 44 South Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350, Attention: Aida Camacho-Welch, Secretary of the Board. Please include BPU Docket No. EO18020196 in your comments.

In order to encourage full participation in this opportunity for public comment, please submit any requests for special accommodations, including interpreters or mobility assistance, at least 72 hours prior to this hearing to Philip J. Passanante, Esq., at phone number 609-909-7034.

Dated: June __, 2018

Atlantic City Electric Company