

**NOTICE OF FILING  
OF ELECTRIC RATE INCREASE  
AND PUBLIC HEARINGS  
TO CUSTOMERS OF  
ATLANTIC CITY ELECTRIC COMPANY  
BPU Docket No. ER19050550**

**PLEASE TAKE NOTICE** that, on or about May 1, 2019, 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. ER19050550, seeking the Board’s approval of proposed changes to electric base rates to provide for cost recovery associated with the Company’s PowerAhead program.

On May 31, 2017, the Board issued an Order, effective June 10, 2017, approving the Company’s PowerAhead program in Docket No. ER16030252. The Order approved up to \$79 million, plus associated Allowance for Funds Used During Construction, in investments to be recovered pursuant to a stipulated cost recovery mechanism providing for adjustments to base rates. The investments in the PowerAhead program focused on storm resiliency and hardening, grid modernization, and supporting New Jersey’s Energy Master Plan through energy reduction and increased deployment of renewable energy resources. The investments are to be made over a five-year period beginning on the effective date of the Board Order approving the program (*i.e.*, June 10, 2017).

The Company has requested that all of the rates shown below become effective for service rendered on and after September 28, 2019 (that is, the date requested in the Petition for implementation of rates). If the Board approves this request, the monthly bill for a typical residential customer (using approximately 679 kWh/month) will increase by \$0.05 or approximately 0.04%. 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 changes to its existing rates 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 described changes may increase or decrease based upon the Board’s decision.

|                                | <b>Residential Service (RS)</b> |
|--------------------------------|---------------------------------|
| Customer Charge:               | \$5.77                          |
|                                |                                 |
| Distribution Charges (\$/kWh): |                                 |
| 0 – 750 Summer                 | \$0.065547                      |
| Over 750 Summer                | \$0.076291                      |
| Winter                         | \$0.059995                      |

| <b>Delivery Charges</b>          | <b>Monthly General Service – Secondary (MGS-SEC)</b> | <b>Monthly General Service – Primary (MGS-Prim)</b> |
|----------------------------------|--|---|
| Customer Charge – Single Phase   |  |   |
| Single Phase                     | \$9.96   | \$14.70   |
| Three Phase                      | \$11.59  | \$15.97   |
|                                  |  |   |
| Distribution Demand Charges:     |  |   |
| Demand Charge Summer (\$/kW)     | \$2.68   | \$1.57  |
| Demand Charge Winter (\$/kW)     | \$2.20   | \$1.22  |
| Reactive Demand Charge (\$/kVAR) | \$0.58   | \$0.43  |
|                                  |  |   |
| Distribution kWh Charges         |  |   |
| Summer (\$/kWh)                  | \$0.057459   | \$0.044262  |
| Winter (\$/kWh)                  | \$0.051308   | \$0.042989  |

|                                      | <b>Annual General Service – Secondary (AGS-SEC)</b> | <b>Annual General Service – Primary (AGS-Prim)</b> | <b>Transmission General Service (TGS) Subtransmission &lt; 5,000 kW</b> | <b>Transmission General Service (TGS) Subtransmission 5,000 – 9,000 kW</b> | <b>Transmission General Service (TGS) Subtransmission &gt;9,000 kW</b> |
|--------------------------------------|---|--|---|--|--|
| Customer Charge                      | \$193.22  | \$744.15   | \$131.75  | \$4,363.57   | \$7,921.01   |
| Distribution Demand Charges (\$/kW): | \$11.09   | \$8.83   | \$3.78  | \$2.91   | \$1.45   |
| Reactive Demand Charge (\$/kVAR)     | \$0.86  | \$0.67   | \$0.52  | \$0.52   | \$0.52   |

|   | <b>Transmission<br/>General Service<br/>(TGS)<br/>&lt; 5,000 kW</b> | <b>Transmission<br/>General Service<br/>(TGS)<br/>5,000 – 9,000 kW</b> | <b>Transmission<br/>General Service<br/>(TGS)<br/>&gt;9,000 kW</b> |
|---|---|--|--|
| Customer Charge                         | \$128.21  | \$4,246.42   | \$19,316.15  |
| Distribution Demand<br>Charges (\$/kW): | \$2.94  | \$2.27   | \$0.14   |
| Reactive Demand<br>Charge (\$/kVAR)     | \$0.50  | \$0.50   | \$0.50   |

| <b>Delivery Charges</b>                                       | <b>Direct Distribution<br/>Connection (DDC)</b> | <b>Street &amp; Private<br/>Lighting (SPL)*</b> | <b>Contributed Street<br/>Lighting (CSL)*</b> |
|---|---|---|---|
| Distribution:<br>Service & Demand (per<br>day per connection) | \$0.161335                                      | -   | -   |
| Energy (per day for each<br>KW of effective load)             | \$0.777090                                      | -   | -   |

\* See Rate Schedules for details of monthly charges per fixture.

Residential customers can compare their monthly usage with the chart below to see how these rate changes, as proposed, will affect their bills:

| <b>Charges Under<br/>Previous Rates</b> |          |          |
|---|----------|----------|
| Monthly kWh Use                         | Winter   | Summer   |
| 100                                     | \$23.73  | \$23.48  |
| 300                                     | \$59.67  | \$58.89  |
| 500                                     | \$95.59  | \$94.32  |
| 750                                     | \$140.50 | \$138.59 |
| 1000                                    | \$185.42 | \$188.05 |
| 1500                                    | \$275.24 | \$286.97 |
| 2000                                    | \$365.07 | \$385.89 |
| 3000                                    | \$544.72 | \$583.73 |
| <b>Charges Under<br/>Proposed Rates</b> |          |          |
| Monthly kWh Use                         | Winter   | Summer   |
| 100                                     | \$23.74  | \$23.49  |
| 300                                     | \$59.69  | \$58.92  |
| 500                                     | \$95.63  | \$94.36  |
| 750                                     | \$140.56 | \$138.65 |
| 1000                                    | \$185.50 | \$188.13 |
| 1500                                    | \$275.36 | \$287.09 |
| 2000                                    | \$365.23 | \$386.05 |
| 3000                                    | \$544.96 | \$583.97 |

The above assumes that customers take their electric supply from the Company and do not engage the services of a third party supplier.

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

| <b>Rate Schedule</b>                                     | <b>Percent Change by Customer Class</b> |
|--|---|
| Residential  | 0.04%                                   |
| Monthly General Service Secondary                        | 0.04%                                   |
| Monthly General Service Primary                          | 0.03%                                   |
| Annual General Service Secondary                         | 0.04%                                   |
| Annual General Service Primary                           | 0.02%                                   |
| Transmission General Service                             | 0.0%                                    |
| Street and Private Lighting/ Contributed Street Lighting | 0.09%                                   |
| Direct Distribution Connection                           | 0.04%                                   |
|  |   |

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/](http://www.atlanticcityelectric.com/home/choice/nj/public/). Copies are also available at the Board's main office, 44 South Clinton Avenue, 2nd Floor, Trenton, New Jersey 08625.

The following date, times, and location for public hearings have been scheduled on the Company's Petition so that members of the public may present their views. Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision.

|   |   |
|---|---|
| <b>Date:</b> Tuesday, August 27, 2019   | <b>Date:</b> Tuesday, August 27, 2019   |
| <b>Time:</b> 4:30 P.M.  | <b>Time:</b> 5:30 P.M.  |
| <b>Location:</b><br>Atlantic City Electric Company Offices<br>1 <sup>st</sup> Floor Conference Room<br>5100 Harding Highway<br>Mays Landing, New Jersey 08330 | <b>Location:</b><br>Atlantic City Electric Company Offices<br>1 <sup>st</sup> Floor Conference Room<br>5100 Harding Highway<br>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. The public hearings will continue at the foregoing dates, times, and locations 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, 3<sup>rd</sup> Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350, Attention: Aida Camacho-Welch., Secretary of the Board, or by email to [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

**Atlantic City Electric Company**