

Philip J. Passanante
Assistant General Counsel

92DC42
PO Box 6066
Newark, DE 19714-6066

667.313.0418- Telephone
302.429.3801 - Facsimile
philip.passanante@pepcoholdings.com

500 N. Wakefield Drive
Newark, DE 19702

atlanticcityelectric.com

July 31, 2023

VIA ELECTRONIC MAIL
sherri.golden@bpu.nj.gov
board.secretary@bpu.nj.gov

Sherri L. Golden, RMC
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

RE: In the Matter of the Petition of Atlantic City Electric Company for
Implementation of an Adjustment to Its Conservation Incentive Program
Rate Mechanism and Associated Customer Class Rates (2023)
BPU Docket No. ER23070479

Dear Secretary Golden:

On behalf of Atlantic City Electric Company (“ACE”), enclosed for filing is an electronic copy of a Petition, along with the supporting attachments, testimony, and schedules (the “Petition”). The Petition seeks to update and adjust ACE’s Conservation Incentive Program rate mechanism and associated customer class rates, initially authorized pursuant to a Decision and Order Approving Stipulation that was issued by the New Jersey Board of Public Utilities (the “Board” or “BPU”) on April 27, 2021 in BPU Docket Nos. QO19010040 and EO20090621

ACE respectfully requests that the Board retain jurisdiction over this matter and act upon this filing so that the rate adjustment can be implemented effective **October 1, 2023**. Inasmuch as this filing will result in an increase in tariffed rates to certain rate classes, virtual public comment hearings will be required. A proposed public notice is attached as **Exhibit B**.

Portions of certain attachments to the Petition contain information considered to be confidential and will be provided upon the execution of an Agreement of Non-Disclosure of Confidential Information by the parties and their consultants.

Sherri L. Golden, RMC

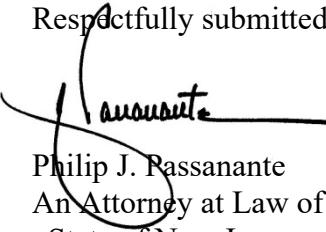
July 31, 2023

Page 2

Pursuant to the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, these documents are being electronically filed with the Acting Secretary of the Board, the Division of Law, and the New Jersey Division of Rate Counsel. No paper copies will follow.

Thank you for your consideration and courtesies. Feel free to contact the undersigned with any questions or if I can be of further assistance.

Respectfully submitted,


Philip J. Passanante
An Attorney at Law of the
State of New Jersey

Enclosure

cc: Service List

**IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY
FOR IMPLEMENTATION OF AN
ADJUSTMENT TO ITS CONSERVATION
INCENTIVE PROGRAM RATE
MECHANISM AND ASSOCIATED
CUSTOMER CLASS RATES (2023)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**
BPU DOCKET NO. ER23070479
CERTIFIED PETITION¹

ATLANTIC CITY ELECTRIC COMPANY (hereinafter referred to as “ACE,” “Petitioner” or the “Company”) respectfully petitions the New Jersey Board of Public Utilities (“Board” or “BPU”) to authorize the Company to adjust and implement adjustments to its Conservation Incentive Program (“CIP”) rate mechanism (known as the CIP Recovery Charge or “Rider CIP”) for the program year July 1, 2022 through June 30, 2023. All calculations are based upon actual data. Petitioner requests that the Board permit the rate adjustments sought herein to be effective for electric service rendered on and after October 1, 2023.

BACKGROUND

1. ACE is a corporation organized and existing under the laws of the State of New Jersey, which is subject to the jurisdiction of the Board, and which maintains a regional office at 5100 Harding Highway, Mays Landing, New Jersey 08330. The Company is engaged in the transmission and distribution of electric energy for light, heat, and power to approximately 565,000 residential, commercial, and industrial customers located in southern New Jersey.

2. On January 13, 2008, L. 2007, c. 340 (the “RGGI Act”) was signed into law based on the New Jersey Legislature’s findings that energy efficiency (“EE”) and conservation measures are essential elements of the State’s energy future and that greater reliance on EE and conservation

¹ This filing has been reviewed and certified by a corporate officer of ACE in a form and format that is consistent with New Jersey Court Rules.

will provide significant benefits to the citizens of New Jersey. The Legislature also found that public utility involvement and competition in the conservation and EE industries was essential to maximize efficiencies.

3. Pursuant to Section 13 of the RGGI Act, codified in part as N.J.S.A. 48:3-98.1(a)(1), an electric or gas public utility (“utility” or collectively, “utilities”) may provide and invest in EE and conservation programs in its service territory on a regulated basis. Upon petition, such investment in EE and conservation programs may be eligible for rate treatment approved by the Board, including a return on equity or other incentives or rate mechanisms, including those that decouple utility revenues from the sales of electricity. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may also include placing appropriate technology and program investments in a utility’s rate base or recovering the utility’s technology and program costs through another ratemaking methodology approved by the Board.²

4. In May 2018, Governor Philip D. Murphy mandated the preparation of an Energy Master Plan (“EMP”) that would chart a path for New Jersey to convert its energy production profile to 100% clean energy sources by January 1, 2050. The Board issued a draft EMP in June 2019; the final EMP was released in January 2020.³

5. On May 23, 2018, Governor Murphy signed the Clean Energy Act of 2018 (“CEA”) into law.⁴ The CEA builds upon the RGGI Act by employing clean energy strategies and establishing energy reduction requirements. Specifically, the CEA requires that utilities implement EE measures that “achieve annual reductions in the use of electricity of two percent of the average annual usage in the prior three years within five years of implementation of its electric energy

² *Id.*

³ See Executive Order No. 28 (May 23, 2018).

⁴ The CEA, L. 2018, c. 17, is codified as N.J.S.A. 48:3-87.8 *et seq.*

efficiency program" and "annual reductions in the use of natural gas of 0.75 percent of the average annual usage in the prior three years within five years of implementation of its gas energy efficiency program."⁵ In the two years following passage of the CEA, the Board, Board Staff, the New Jersey Division of Rate Counsel, utilities, and a broad range of stakeholders worked to review and consider options and best practices on a myriad of topics related to EE.

6. By Order dated June 10, 2020, the Board approved an EE transition framework for EE programs to be implemented pursuant to the CEA, including requirements for utilities to establish programs that reduce the use of electricity and natural gas within their territories.⁶ In the June 2020 Order, the Board directed the utilities to file petitions proposing three (3) year programs by September 25, 2020, for approval by the Board by May 1, 2021 and implementation beginning July 1, 2021.

ACE'S SEPTEMBER 2020 EE FILING

7. On September 25, 2020, ACE timely filed its required EE petition, proposing a portfolio of EE programs targeted at the Company's residential, commercial and industrial, and multi-family customer sectors over the three (3) year implementation period beginning July 1, 2021 through June 30, 2024. The Company's EE petition also requested approval of a cost recovery mechanism.

8. The parties to the Company's EE petition executed a Stipulation of Settlement resolving issues raised in the proceeding. As set forth in detail in the Stipulation of Settlement, upon Board approval, ACE's EE initiative would entail investment in, implementation, and administration of a portfolio of programs, including eight (8) residential sub-programs, four (4)

⁵ See CEA, Sections 3(a) and (e)(1).

⁶ See *In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs*, BPU Docket Nos. QO19010040, QO19060748, and QO17091004, Order dated June 10, 2020 (the "June 2020 Order").

Commercial and Industrial sub-programs, and one (1) multi-family sub-program. By way of a Decision and Order Approving Stipulation dated April 27, 2021, the Board approved the Stipulation of Settlement and authorized ACE to begin implementing its EE programs (the “ACE EE Order”).⁷

Table One summarizes the Company’s approved portfolio of EE programs with a budget of \$96,065,276 for the three-year term beginning July 1, 2021 and ending June 30, 2024 (the “EE Program”). In addition to the EE Program, the Board approved the Company’s implementation of a cost recovery mechanism, the EE Surcharge, which was included as a component of ACE’s Rider Regional Greenhouse Gas Initiative.⁸

Table One

Sector	Program	Sub-program	Core or Utility-led	Total Cost	Projected Savings (MWh)	
Residential	Behavior	Home Energy Reports	Utility-led	\$503,600	7,998	
	Efficient Products	HVAC	Core	\$15,469,151	34,328	
		Online Marketplace	Core			
		Appliance Rebates	Core			
		Appliance Recycling	Core			
	Existing Homes	Home Performance with ENERGY STAR	Core	\$8,685,623	1,854	
		Quick Home Energy Check Up	Utility-led	\$8,873,070	16,572	
		Moderate-Income Weatherization	Utility-led	\$13,471,022	2,628	
Multi-Family	Multi-Family	Multi-Family	Core	\$3,774,401	6,506	
Commercial and Industrial	Small Business Direct Install	N/A	Core	\$28,049,428	19,236	
	Energy Solutions for Business	Prescriptive/Custom	Core	\$11,809,616	83,154	
		Energy Management	Utility-led	\$1,942,912	5,764	
		Engineered Solutions	Utility-led	\$2,736,454	1,824	
Statewide Coordinator Costs				\$750,000	N/A	
Total				\$96,065,276	179,864	

⁷ See *In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs and In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three*, BPU Docket Nos. QO19010040 and EO20090621, Order dated April 27, 2021.

⁸ On or about July 26, 2023, the Company filed a Petition to authorize the true-up of ACE’s EE Program cost recovery mechanism and to set a new rate for its EE Program cost recovery mechanism. That Petition is currently pending before the Board as BPU Docket No. ER23070464.

9. The Petitioner also requested, and received, the Board’s approval of a modified electric CIP calculation methodology to recover a portion of the Company’s revenues that may be lost due to the successful implementation of the EE Program and the related decrease in energy sales.

ACE’S JULY 2022 PETITION

10. On July 29, 2022, the Company filed a Petition with the Board seeking an adjustment to its CIP based upon an initial deferral period of July 1, 2021 through June 30, 2022, to be effective for service rendered on and after October 1, 2022 (the “July 2022 Petition”).⁹ On December 7, 2022, the Board adopted a Stipulation of Settlement for Provisional Rates, approving provisional CIP and associated rate implementation based upon the rates requested in the July 2022 Petition for each customer class associated with ACE’s Rider CIP (the “December 2022 Order”).¹⁰ On June 29, 2023, BPU adopted and released a Decision and Order Regarding Stipulation for Final Rates, making the provisional rates approved in the December 2022 Order final and resolving the July 2022 Petition.¹¹

CIP RECOVERY/RIDER CIP COMPONENT OF ACE’s EE PROGRAM

11. As stated in Paragraph 9 above, the ACE EE Order authorized the Company to “implement a modified CIP to account for lost sales revenue resulting from the potential decrease in customer energy usage.”¹² The ACE EE Order required:

... that the Company shall submit its first CIP cost recovery filing on or before July 31, 2022, for rates effective October 1, 2022, based on an initial deferral period of July 1, 2021 through June 30, 2022. The Parties further agree that the CIP shall be adjusted annually thereafter as provided in the

⁹ *In the Matter of the Petition of Atlantic City Electric Company for Implementation of an Adjustment to Its Conservation Incentive Program Rate Mechanism and Associated Customer Class Rates (2022)*, BPU Docket No. ER22070463.

¹⁰ See *id.*, Order Approving Stipulation for Provisional Rates, dated December 7, 2022.

¹¹ See *id.*, Decision and Order Regarding Stipulation for Final Rates, dated June 29, 2023.

¹² ACE EE Order at 14.

Stipulation [approved by the ACE EE Order]. The filings shall document actual results, perform the required CIP collection tests described in more detail below, and propose the new CIP rate. Any variances from the annual filings shall be trued-up in the subsequent year.¹³

12. Attached hereto as **Exhibit A** are Schedules 1 through 10 supporting this proceeding, as well as Schedules (SC)-1, (SC)-2, and (SC)-3, which are attachments to the Direct Testimony of Company Witness Shengrong Chen. As noted by Company Witness Chen, the CIP rate mechanism provides a rate adjustment related to changes in the average revenue per customer when compared to a baseline revenue per customer, removing the disincentive for the Company to encourage customers to conserve energy. The CIP margin deficiency to be collected from customers – or the margin excess to be refunded to customers – is calculated each month by applicable rate schedule by subtracting the baseline revenue per customer from the actual revenue per customer and multiplying the resulting revenue per customer by the actual number of customers for the month.¹⁴

13. Based on the foregoing, and the information provided in the attached schedules and Direct Testimony (and attachments thereto), ACE proposes to refund a net CIP amount of \$5,318,121 to customers within eligible rate classes, which includes a margin excess of \$7,007,377 carryforward from CIP Year 1. This represents \$20,798,191 of refunds owed to customers in the MGS-S, MGS-P, AGS-S, AGS-P, TGS Sub-Transmission, and TGS rate classes, partially offset by \$15,480,070 of margin recovery in the RS customer classes.¹⁵

¹³ *Id.*

¹⁴ As noted in Company Witness Chen's Direct Testimony, the CIP applies to the following ACE Rate Schedules: Residential Service ("RS"), Monthly General Service-Secondary ("MGS-S"), MGS-Primary ("MGS-P"), Annual General Service-Secondary ("AGS-S"), AGS Primary ("AGS-P"), Transmission General Service ("TGS")—Sub Transmission, and TGS-Transmission. The CIP is not applicable to Rate Schedules Direct Distribution Connection, Street and Private Lighting, and Contributed Street Lighting.

¹⁵ See Schedule (SC)-1 of Ms. Chen's Direct Testimony.

14. The Company estimates that a typical residential customer using Basic Generation Service (“BGS”) with usage of 680 kWh per month will experience an overall bill *increase* of \$3.11 or 2.11 percent, from \$147.17 to \$150.28, as a result of this filing. The complete bill impact analysis for all Rate Schedules, and its underlying assumptions, are outlined in Schedule (SC)-2 to Company Witness Chen’s Direct Testimony.

15. Attached to Ms. Chen’s Direct Testimony as Schedule (SC)-3 are revised tariff pages containing the proposed revisions to the CIP Recovery Charge/Rider CIP discussed in this filing.

SUPPORTING TESTIMONY

16. The CIP rate adjustment requested in this Petition is supported by the Direct Testimony and supporting schedules of the following witnesses for the Company, each of which is attached hereto and made a part hereof:

Shengrong ChenProposed Rate Adjustment and Supporting Schedules

Nathanael Gillespie.....CIP Shareholder Contribution

17. The Company has included in this filing information and data required pursuant to the ACE EE Order with respect to the calculating the monthly CIP deferral methodology, including the BGS Savings Test, the Variable Margin Test, and the Earnings Test.¹⁶

18. The Direct Testimony of Company Witness Gillespie has been included to support the CIP Shareholder Contribution required pursuant to the ACE EE Order and to provide details of the related spend on EE Program marketing activities, EE Program outreach, and EE Program education efforts.

¹⁶ See ACE EE Order at pages 15 - 17.

19. Inasmuch a one or more rate class components will be increasing as a result of this proposal, virtual public comment hearings will likely be required. A proposed form of notice to be used to provide notice of this filing to the public and to the municipalities and counties located in the Company's service area, and to advise the public of the date and time for the public comment hearings required pursuant to N.J.A.C. 14:3-2A.5(d) is attached as **Exhibit B**. Petitioner's monthly invoices contain a bill message referring customers to the "Public Postings" page on the Company's website where the full public version of this filing can be found.

20. Electronic copies of the public version of this Petition, along with public versions of all testimony and schedules, shall be sent to the persons identified in the Service List attached hereto. This is consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254 (March 19, 2020). Portions of certain attachments to this Petition related to the Earnings Test contain information considered to be confidential and will be provided upon the execution of an acceptable Agreement of Non-Disclosure of Confidential Information by the parties and their consultants.

21. The Petitioner acknowledges that the Company's costs, including those related to the CIP, will remain subject to audit by the Board. Granting the relief requested in this Petition shall neither preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

COMMUNICATIONS

22. Communications and correspondence concerning this proceeding should be sent to the following representatives of the Company:

Philip J. Passanante, Esquire
Assistant General Counsel
Atlantic City Electric Company – 92DC42
500 North Wakefield Drive
Post Office Box 6066
Newark, Delaware 19714-6066
Telephone: (667) 313-0418 (Teams)
(609) 909-7034 (Trenton)
(302) 853-0569 (Mobile)
E-Mail: philip.passanante@pepcoholdings.com

and

Heather Hall
Manager, New Jersey Regulatory Affairs
Atlantic City Electric Company – 92DC42
500 North Wakefield Drive
P.O. Box 6066
Newark, Delaware 19714-6066
Telephone: (302) 373-6727 (Mobile)
E-Mail: heather.hall@pepcoholdings.com

and

Joanne Sheridan
Senior Rate Analyst, New Jersey Regulatory Affairs
Atlantic City Electric Company – 92DC42
500 North Wakefield Drive
P.O. Box 6066
Newark, Delaware 19714-6066
Telephone: (443) 350-3444 (Mobile)
E-Mail: joanne.sheridan@pepcoholdings.com

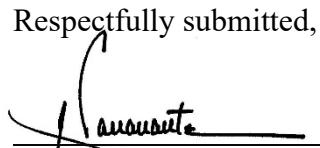
CONCLUSION

WHEREFORE, the Petitioner, **ATLANTIC CITY ELECTRIC COMPANY**, respectfully requests that the Board make the following determinations:

- A. that the Company may adjust its CIP Recovery Charge/Rider CIP and implement rate adjustments in the net amount of (\$5,318,121) to eligible rate classes of customers to be effective on and after October 1, 2023, as outlined in this filing;
- B. acknowledging that the spend associated with the CIP Shareholder Contribution outlined in the Direct Testimony of Company Witness Gillespie has been made in a manner consistent with the ACE EE Order; and
- C. granting such other and further relief as the Board may determine to be reasonable and appropriate.

Dated: July 31, 2023

Respectfully submitted,



PHILIP J. PASSANANTE
An Attorney at Law of the
State of New Jersey
Assistant General Counsel
Atlantic City Electric Company – 92DC42
500 North Wakefield Drive
Post Office Box 6066
Newark, Delaware 19714-6066
(667) 313-0418 – (Teams)
(609) 909-7034 – Telephone (Trenton)
(302) 853-0569 – Telephone (Mobile)
philip.passanante@pepcoholdings.com

**IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY
FOR IMPLEMENTATION OF AN
ADJUSTMENT TO ITS CONSERVATION
INCENTIVE PROGRAM RATE
MECHANISM AND ASSOCIATED
CUSTOMER CLASS RATES (2023)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

CERTIFICATION IN SUPPORT OF PETITION

AMBER M. PERRY, of full age, certifies as follows:

1. I am the Vice President of Regulatory Policy and Strategy of and for Atlantic City Electric Company (“ACE”), the Petitioner named in the foregoing Petition. I am duly authorized to make this Certification on ACE’s behalf.
2. I hereby certify that I have read the contents of the foregoing Petition and supporting documents thereto.
3. I further and finally certify that the information contained therein is true and correct to the best of my knowledge, information, and belief. I am aware that, if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: 7/27/23

Amber M. Perry

AMBER M. PERRY

Exhibit A

Schedule 1

Atlantic City Electric Company
Conservation Incentive Program
Residential Service
July 2022 - June 2023

Customer Class (a)	Actual/ Estimate	Actual per Books			Baseline Revenue / Cust. ¹ (e)	Margin Variance (f) = (d) - (e)
		Total Class (b)	Number of Customers (c)	Actual Avg. Revenue / Cust. (d) = (b) / (c)		
Residential						
July	a	\$ 33,632,744	501,579	67.05	\$ 75.95	(8.90) (\$4,464,266)
August	a	\$ 42,927,506	501,762	85.55	\$ 85.37	0.18 \$91,232
September	a	\$ 36,134,606	501,866	72.00	\$ 68.74	3.26 \$1,637,863
October	a	\$ 17,519,813	501,761	34.92	\$ 38.18	(3.26) (\$1,636,662)
November	a	\$ 13,560,008	502,039	27.01	\$ 30.77	(3.76) (\$1,888,509)
December	a	\$ 18,360,520	502,244	36.56	\$ 38.75	(2.19) (\$1,098,045)
January	a	\$ 21,799,790	502,606	43.37	\$ 46.56	(3.19) (\$1,602,116)
February	a	\$ 17,412,860	502,919	34.62	\$ 37.60	(2.98) (\$1,496,736)
March	a	\$ 16,483,070	503,257	32.75	\$ 34.20	(1.45) (\$728,928)
April	a	\$ 14,723,714	503,418	29.25	\$ 33.27	(4.02) (\$2,026,179)
May	a	\$ 12,925,845	503,701	25.66	\$ 28.88	(3.22) (\$1,623,416)
June	a	\$ 18,945,564	503,915	37.60	\$ 40.60	(3.00) (\$1,514,205)
Total		\$ 264,426,039		\$ 526.3	\$ 558.9	(32.5) (\$16,349,966)
Margin Deficiency/ (Credit)					\$ 16,349,966	
Prior Period (Over) / Under Recovery					\$ (869,896)	
Total Margin Deficiency/ (Credit)					\$ 15,480,070	
Projected Residential kWh Use						3,917,967,931
Pre-tax CIP Charge/(Credit) per kWh BPU/RC Assessment Factor					\$ 0.003951 1.002630	
CIP Charge/(Credit) including assessments 6.625% Sales Tax					\$ 0.003961 0.000262	
Proposed After-tax CIP Charge/(Credit) per kWh					\$ 0.004224	
Current After-tax CIP Charge/(Credit) per kWh					\$ (0.000354)	
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kWh					\$ 0.004578	

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers and Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Residential Service
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	<u>TOTAL</u>
Beginning Under/(Over) Recovery \$	\$ (1,343,937)	\$ (1,343,937)	\$ (1,343,937)	\$ (1,343,937)	\$ (1,343,937)	\$ (1,343,937)	\$ (1,343,937)	\$ (1,287,083)	\$ (1,195,585)	\$ (1,108,815)	\$ (1,031,388)	\$ (963,358)	\$ (1,343,937)
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (56,854)	\$ (91,498)	\$ (86,770)	\$ (77,427)	\$ (68,030)	\$ (93,462)	\$ (474,041)
Ending Under/(Over) Recovery \$	<u>\$ (1,343,937)</u>	<u>\$ (1,287,083)</u>	<u>\$ (1,195,585)</u>	<u>\$ (1,108,815)</u>	<u>\$ (1,031,388)</u>	<u>\$ (963,358)</u>	<u>\$ (869,896)</u>	<u>\$ (869,896)</u>					

Atlantic City Electric Company
Customers and Sales

Residential

	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
Volumes*												
RS kWh - Summer < 750	-	-	-	-	-	100,797,691	303,263,080	302,643,618	294,786,523	114,889,745	-	-
RS kWh - Summer > 750	-	-	-	-	-	33,067,026	206,074,582	264,472,164	169,307,039	28,634,180	-	-
RS kWh - Winter	363,506,291	293,698,426	267,264,929	260,229,175	226,076,183	165,061,797	-	-	-	136,633,303	241,454,656	304,165,463
Distribution Base Rates (w/o SUT)**												
SUM First 750 kWh	\$ 0.068349	\$ 0.068349	\$ 0.068349	\$ 0.068349	\$ 0.068349	\$ 0.068349	\$ 0.068112	\$ 0.068112	\$ 0.068112	\$ 0.068349	\$ 0.068349	\$ 0.068349
SUM > 750 kWh	\$ 0.080244	\$ 0.080244	\$ 0.080244	\$ 0.080244	\$ 0.080244	\$ 0.080244	\$ 0.080007	\$ 0.080007	\$ 0.080007	\$ 0.080244	\$ 0.080244	\$ 0.080244
WIN	\$ 0.062203	\$ 0.062203	\$ 0.062203	\$ 0.062203	\$ 0.062203	\$ 0.062203	\$ 0.061966	\$ 0.061966	\$ 0.062203	\$ 0.062203	\$ 0.062203	\$ 0.062203
IIP - All kWh (w/o SUT)***	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202	\$ 0.001202
Distribution Base Rates + IIP (w/o SUT)												
SUM First 750 kWh	\$ 0.069551	\$ 0.069551	\$ 0.069551	\$ 0.069551	\$ 0.069551	\$ 0.069551	\$ 0.069314	\$ 0.069314	\$ 0.069314	\$ 0.069551	\$ 0.069551	\$ 0.069551
SUM > 750 kWh	\$ 0.081446	\$ 0.081446	\$ 0.081446	\$ 0.081446	\$ 0.081446	\$ 0.081446	\$ 0.081209	\$ 0.081209	\$ 0.081209	\$ 0.081446	\$ 0.081446	\$ 0.081446
WIN	\$ 0.063405	\$ 0.063405	\$ 0.063405	\$ 0.063405	\$ 0.063405	\$ 0.063405	\$ 0.063168	\$ 0.063168	\$ 0.063168	\$ 0.063405	\$ 0.063405	\$ 0.063405
Total Volume	363,506,291	293,698,426	267,264,929	260,229,175	226,076,183	298,926,513	509,337,662	567,115,782	464,093,562	280,157,228	241,454,656	304,165,463

Revenues

Volume Charge Revenues	\$ 23,048,116	\$ 18,621,949	\$ 16,945,933	\$ 16,499,831	\$ 14,334,360	\$ 20,169,500	\$ 37,755,488	\$ 42,454,960	\$ 34,182,088	\$ 18,986,071	\$ 15,309,432	\$ 19,285,611
Demand Charge Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 23,048,116	\$ 18,621,949	\$ 16,945,933	\$ 16,499,831	\$ 14,334,360	\$ 20,169,500	\$ 37,755,488	\$ 42,454,960	\$ 34,182,088	\$ 18,986,071	\$ 15,309,432	\$ 19,285,611

Customers

Total Customers	495,045	495,316	495,518	495,865	496,291	496,726	497,107	497,316	497,292	497,254	497,517	497,741
Baseline	46.56	37.60	34.20	33.27	28.88	40.60	75.95	85.37	68.74	38.18	30.77	38.75

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 2

Atlantic City Electric Company
Conservation Incentive Program
Medium General Service - Secondary (MGSS)
July 2022 - June 2023

<u>Customer Class</u>	<u>Actual/ Estimate</u>	Actual per Books			<u>Actual Avg.</u> <u>Revenue / Cust.</u> <u>(d) = (b) / (c)</u>	<u>Baseline</u> <u>Revenue / Cust.¹</u> <u>(e)</u>	<u>Difference</u> <u>(f) = (d) - (e)</u>	<u>Margin Variance</u>
		<u>Total Class</u> <u>(b)</u>	<u>Number of Customers</u> <u>(c)</u>					
<u>Residential</u>								
July	a	\$ 10,184,685	56,663		179.74	\$ 160.51	\$ 19.23	\$ 1,089,834
August	a	\$ 11,250,922	56,688		198.47	\$ 174.62	\$ 23.85	\$ 1,351,870
September	a	\$ 11,037,737	56,645		194.86	\$ 162.71	\$ 32.15	\$ 1,820,994
October	a	\$ 7,377,181	56,590		130.36	\$ 124.82	\$ 5.54	\$ 313,744
November	a	\$ 6,123,509	56,608		108.17	\$ 102.39	\$ 5.78	\$ 327,132
December	a	\$ 6,656,951	56,700		117.41	\$ 106.02	\$ 11.39	\$ 645,675
January	a	\$ 7,352,551	56,704		129.67	\$ 127.67	\$ 2.00	\$ 113,567
February	a	\$ 6,519,382	56,712		114.96	\$ 108.77	\$ 6.19	\$ 351,256
March	a	\$ 6,194,956	56,719		109.22	\$ 105.79	\$ 3.43	\$ 194,734
April	a	\$ 6,272,309	56,746		110.53	\$ 97.21	\$ 13.32	\$ 755,799
May	a	\$ 5,972,410	56,800		105.15	\$ 82.30	\$ 22.85	\$ 1,298,074
June	a	\$ 8,264,068	56,799		145.50	\$ 105.37	\$ 40.13	\$ 2,279,127
Total		<u>\$ 93,206,662</u>			<u>\$ 1,644.0</u>	<u>\$ 1,458.17</u>	\$ 185.87	<u>\$ 10,541,806</u>
Margin Deficiency/ (Credit)								\$ (10,541,806)
Prior Period (Over) / Under Recovery								<u>\$ (5,785,147)</u>
Total Margin Deficiency/ (Credit)								\$ (16,326,953)
Projected MGSS kWh Use								1,324,226,491
Pre-tax CIP Charge/(Credit) per kWh								\$ (0.012329)
BPU/RC Assessment Factor								<u>1.002630</u>
CIP Charge/(Credit) including assessments								\$ (0.012362)
6.625% Sales Tax								<u>\$ (0.000819)</u>
Proposed After-tax CIP Charge/(Credit) per kWh								\$ (0.013181)
Current After-tax CIP Charge/(Credit) per kWh								<u>\$ (0.008526)</u>
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kWh								<u>\$ (0.004655)</u>

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Medium General Service - Secondary (MGSS)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL
Beginning Under/(Over) Recovery \$	(10,257,353)	\$ (10,257,353)	\$ (10,257,353)	\$ (10,257,353)	\$ (10,257,353)	\$ (10,257,353)	\$ (10,257,353)	\$ (9,840,441)	\$ (9,030,983)	\$ (8,255,018)	\$ (7,479,327)	\$ (6,738,196)	\$ (10,257,353)
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (416,912)	\$ (809,458)	\$ (775,965)	\$ (775,692)	\$ (741,131)	\$ (953,049)
Ending Under/(Over) Recovery \$	<u>\$ (10,257,353)</u>	<u>\$ (9,840,441)</u>	<u>\$ (9,030,983)</u>	<u>\$ (8,255,018)</u>	<u>\$ (7,479,327)</u>	<u>\$ (6,738,196)</u>	<u>\$ (5,785,147)</u>						

Atlantic City Electric Company
Customers, Demand, Sales

Medium General Service - Secondary (MGSS)

	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
Volumes*												
Summer kWh	-	-	-	-	-	35,299,108	122,208,381	134,705,525	124,721,108	55,384,432	-	-
Winter kWh	113,314,390	97,408,010	93,771,253	84,409,746	70,707,460	48,907,237	-	-	-	44,809,780	88,503,750	92,720,266
Total Volume	113,314,390	97,408,010	93,771,253	84,409,746	70,707,460	84,206,345	122,208,381	134,705,525	124,721,108	100,194,212	88,503,750	92,720,266
Demand												
Summer kW	-	-	-	-	-	391,143	560,079	575,966	553,251	-	-	-
Winter kW	451,962	367,359	378,607	382,786	340,865	-	-	-	-	524,938	424,489	418,591
Total Demand	451,962	367,359	378,607	382,786	340,865	391,143	560,079	575,966	553,251	524,938	424,489	418,591
Distribution Base Rates (w/o SUT)**												
SUM kWh	\$ 0.058296	\$ 0.058296	\$ 0.058296	\$ 0.058296	\$ 0.058296	\$ 0.058296	\$ 0.058109	\$ 0.058109	\$ 0.058109	\$ 0.058296	\$ 0.058296	\$ 0.058296
WIN kWh	\$ 0.051599	\$ 0.051599	\$ 0.051599	\$ 0.051599	\$ 0.051599	\$ 0.051599	\$ 0.051412	\$ 0.051412	\$ 0.051412	\$ 0.051599	\$ 0.051599	\$ 0.051599
SUM kW	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06	\$ 3.06
WIN kW	\$ 2.51	\$ 2.51	\$ 2.51	\$ 2.51	\$ 2.51	\$ 2.51	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.51	\$ 2.51	\$ 2.51
IIP - All kWh (w/o SUT)***	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027	\$ 0.001027
IIP - All kW (w/o SUT)	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Distribution Base Rates + IIP (w/o SUT)												
Summer kWh	\$ 0.059323	\$ 0.059323	\$ 0.059323	\$ 0.059323	\$ 0.059323	\$ 0.059323	\$ 0.059136	\$ 0.059136	\$ 0.059136	\$ 0.059323	\$ 0.059323	\$ 0.059323
Winter kWh	\$ 0.052626	\$ 0.052626	\$ 0.052626	\$ 0.052626	\$ 0.052626	\$ 0.052626	\$ 0.052439	\$ 0.052439	\$ 0.052439	\$ 0.052626	\$ 0.052626	\$ 0.052626
Summer kW	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10	\$ 3.10
Winter kW	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.54	\$ 2.54	\$ 2.54	\$ 2.55	\$ 2.55	\$ 2.55
Revenues												
Volume Charge Revenues	\$ 5,963,283	\$ 5,126,194	\$ 4,934,806	\$ 4,442,147	\$ 3,721,051	\$ 4,667,841	\$ 7,226,915	\$ 7,965,946	\$ 7,375,507	\$ 5,643,730	\$ 4,657,598	\$ 4,879,497
Demand Charge Revenues	\$ 1,152,503	\$ 936,767	\$ 965,447	\$ 976,103	\$ 869,206	\$ 1,212,544	\$ 1,736,244	\$ 1,785,496	\$ 1,715,079	\$ 1,338,593	\$ 1,082,447	\$ 1,067,408
Total Revenue	\$ 7,115,786	\$ 6,062,961	\$ 5,900,253	\$ 5,418,250	\$ 4,590,257	\$ 5,880,386	\$ 8,963,158	\$ 9,751,442	\$ 9,090,586	\$ 6,982,323	\$ 5,740,045	\$ 5,946,904
Customers												
Single Phase Service	40,799	40,798	40,807	40,774	40,787	40,801	40,814	40,822	40,853	40,927	41,036	41,052
3 Phase Service	14,938	14,945	14,968	14,963	14,990	15,004	15,029	15,021	15,016	15,024	15,024	15,039
Total Customers	55,737	55,743	55,775	55,737	55,777	55,805	55,843	55,869	55,941	56,060	56,091	
Baseline	127.67	108.77	105.79	97.21	82.30	105.37	160.51	174.62	162.71	124.82	102.39	106.02

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 3

Atlantic City Electric Company
Conservation Incentive Program
Medium General Service - Primary (MGSP)
July 2022 - June 2023

<u>Customer Class</u>	Actual/ <u>Estimate</u>	Actual per Books			Actual Avg. <u>Revenue / Cust.</u> (d) = (b) / (c)	Baseline <u>Revenue / Cust.</u> ¹ (e)	Difference (f) = (d) - (e)	Margin <u>Variance</u>
		Total Class <u>Revenues</u> (b)	Number of <u>Customers</u> (c)					
<u>Residential</u>								
July	a	\$ 336,534	142		2,369.96	\$ 1,478.75	\$ 891.21	\$ 126,551
August	a	\$ 537,687	148		3,633.02	\$ 1,631.64	\$ 2,001.38	\$ 296,204
September	a	\$ 545,112	154		3,539.69	\$ 1,345.51	\$ 2,194.18	\$ 337,904
October	a	\$ 465,244	160		2,907.78	\$ 962.18	\$ 1,945.60	\$ 311,296
November	a	\$ 446,334	159		2,807.13	\$ 1,816.55	\$ 990.58	\$ 157,502
December	a	\$ 329,457	162		2,033.68	\$ 1,256.10	\$ 777.58	\$ 125,967
January	a	\$ 409,000	150		2,726.67	\$ 1,321.70	\$ 1,404.97	\$ 210,746
February	a	\$ 336,196	154		2,183.09	\$ 885.59	\$ 1,297.50	\$ 199,816
March	a	\$ 271,629	159		1,708.36	\$ 1,515.35	\$ 193.01	\$ 30,688
April	a	\$ 331,442	164		2,020.99	\$ 1,395.76	\$ 625.23	\$ 102,538
May	a	\$ 401,799	173		2,322.54	\$ 893.95	\$ 1,428.59	\$ 247,146
June	a	\$ 397,976	176		2,261	\$ 512.13	\$ 1,749.10	\$ 307,841
Total		\$ 4,808,410			\$ 30,514.1	\$ 15,015.23	\$ 15,498.91	\$ 2,454,198
Margin Deficiency/ (Credit) Prior Period (Over) / Under Recovery							\$ (2,454,198)	\$ (282,990)
Total Margin Deficiency/ (Credit)							\$ (2,737,188)	
Projected MGSP kWh Use								113,623,073
Pre-tax CIP Charge/(Credit) per kWh BPU/RC Assessment Factor							\$ (0.024090)	1.002630
CIP Charge/(Credit) including assessments 6.625% Sales Tax							\$ (0.024153)	\$ (0.001600)
Proposed After-tax CIP Charge/(Credit) per kWh							\$ (0.025754)	
Current After-tax CIP Charge/(Credit) per kWh							\$ (0.032302)	
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kWh							\$ 0.006548	

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Medium General Service - Primary (MGSP)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL	
Beginning Under/(Over) Recovery \$														
	(1,380,622)	\$ (1,380,622)	\$ (1,380,622)	\$ (1,380,622)	\$ (1,380,622)	\$ (1,380,622)	\$ (1,380,622)	\$ (1,347,204)	\$ (1,144,451)	\$ (978,082)	\$ (771,608)	\$ (526,122)	\$ (1,380,622)	
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (33,417)	\$ (202,753)	\$ (166,369)	\$ (206,474)	\$ (245,486)	\$ (243,133)	\$ (1,097,632)
Ending Under/(Over) Recovery \$														
	<u>\$ (1,380,622)</u>	<u>\$ (1,347,204)</u>	<u>\$ (1,144,451)</u>	<u>\$ (978,082)</u>	<u>\$ (771,608)</u>	<u>\$ (526,122)</u>	<u>\$ (282,990)</u>	<u>\$ (282,990)</u>						

Atlantic City Electric Company
Customers, Demand, Sales

Medium General Service - Primary (MGSP)												
	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
Volumes*												
Summer kWh	-	-	-	-	-	177,259	3,257,181	3,566,864	3,000,959	1,895,381	-	-
Winter kWh	2,922,022	1,949,404	3,344,796	3,077,942	1,908,249	984,630	-	-	-	208,847	4,335,254	2,988,726
Total Volume	2,922,022	1,949,404	3,344,796	3,077,942	1,908,249	1,161,889	3,257,181	3,566,864	3,000,959	2,104,228	4,335,254	2,988,726
Demand												
Summer kW	-	-	-	-	-	4,931	16,479	17,059	12,550	-	-	-
Winter kW	14,322	10,479	17,647	17,320	13,059	-	-	-	-	11,961	17,360	13,163
Total Demand	14,322	10,479	17,647	17,320	13,059	4,931	16,479	17,059	12,550	11,961	17,360	13,163
Distribution Base Rates (w/o SUT)**												
SUM kWh	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257	\$ 0.045257
WIN kWh	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845	\$ 0.043845
SUM kW	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
WIN kW	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40
IIP - All kWh (w/o SUT)***	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711	\$ 0.000711
IIP - All kW (w/o SUT)	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03
Distribution Base Rates + IIP (w/o SUT)												
Summer kWh	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968	\$ 0.045968
Winter kWh	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556	\$ 0.044556
Summer kW	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81	\$ 1.81
Winter kW	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
Revenues												
Volume Charge Revenues	\$ 130,194	\$ 86,858	\$ 149,031	\$ 137,141	\$ 85,024	\$ 52,019	\$ 149,267	\$ 163,459	\$ 137,525	\$ 96,432	\$ 193,162	\$ 133,166
Demand Charge Revenues	\$ 20,480	\$ 14,985	\$ 25,235	\$ 24,767	\$ 18,674	\$ 8,925	\$ 29,663	\$ 30,707	\$ 22,591	\$ 17,105	\$ 24,825	\$ 18,823
Total Revenue	\$ 150,674	\$ 101,842	\$ 174,265	\$ 161,908	\$ 103,698	\$ 60,944	\$ 178,929	\$ 194,166	\$ 160,116	\$ 113,537	\$ 217,986	\$ 151,988
Customers												
Single Phase Service	54	54	54	54	54	56	58	58	57	56	55	55
3 Phase Service	60	61	61	62	62	63	63	61	62	62	65	66
Total Customers	114	115	115	116	116	119	121	119	119	118	120	121
Baseline	1,321.70	885.59	1,515.35	1,395.76	893.95	512.13	1,478.75	1,631.64	1,345.51	962.18	1,816.55	1,256.10

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 4

Atlantic City Electric Company
Conservation Incentive Program
Annual General Service - Secondary (AGSS)
July 2022 - June 2023

<u>Customer Class</u> (a)	<u>Actual/ Estimate</u>	Actual per Books			<u>Actual Avg.</u> (d) = (b) / (c)	<u>Baseline</u> (e)	<u>Difference</u> (f) = (d) - (e)	<u>Margin Variance</u>
		<u>Total Class</u> (b)	<u>Number of Customers</u> (c)	<u>Revenue / Cust.</u> (d) = (b) / (c)				
<u>Residential</u>								
July	a	\$ 4,816,471	2,916	1,651.74	\$ 1,804.29	\$ (152.55)		(\$444,837)
August	a	\$ 4,860,976	2,914	1,668.15	\$ 1,611.08	\$ 57.07		\$166,313
September	a	\$ 5,010,339	2,908	1,722.95	\$ 1,659.37	\$ 63.58		\$184,894
October	a	\$ 4,449,772	2,899	1,534.93	\$ 1,323.06	\$ 211.87		\$614,210
November	a	\$ 4,219,495	2,895	1,457.51	\$ 1,612.46	\$ (154.95)		(\$448,583)
December	a	\$ 4,197,853	2,881	1,457.08	\$ 1,492.37	\$ (35.29)		(\$101,681)
January	a	\$ 5,207,889	2,870	1,814.60	\$ 1,693.56	\$ 121.04		\$347,397
February	a	\$ 4,302,358	2,866	1,501.17	\$ 1,491.22	\$ 9.95		\$28,521
March	a	\$ 3,985,102	2,861	1,392.91	\$ 1,458.77	\$ (65.86)		(\$188,420)
April	a	\$ 4,534,950	2,850	1,591.21	\$ 1,688.45	\$ (97.24)		(\$277,134)
May	a	\$ 4,434,438	2,853	1,554.31	\$ 1,440.98	\$ 113.33		\$323,327
June	a	\$ 4,629,423	2,840	1,630	\$ 1,374.18	\$ 255.90		\$726,743
Total		<u>\$ 54,649,065</u>		<u>\$ 18,976.6</u>	<u>\$ 18,649.79</u>	\$ 326.85		<u>\$930,753</u>
Margin Deficiency/ (Credit)						\$		(\$930,753)
Prior Period (Over) / Under Recovery						\$		<u>119,404</u>
Total Margin Deficiency/ (Credit)						\$		(\$811,349)
Projected AGSS kW Use								4,585,327
Pre-tax CIP Charge/(Credit) per kW						\$		(0.18)
BPU/RC Assessment Factor								<u>1.002630</u>
CIP Charge/(Credit) including assessments						\$		(0.18)
6.625% Sales Tax						\$		<u>(0.01)</u>
Proposed After-tax CIP Charge/(Credit) per kW						\$		(0.19)
Current After-tax CIP Charge/(Credit) per kW						\$		0.04
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kW						\$		<u>(0.23)</u>

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Annual General Service - Secondary (AGSS)														
	Actual Jul-22	Actual Aug-22	Actual Sep-22	Actual Oct-22	Actual Nov-22	Actual Dec-22	Actual Jan-23	Actual Feb-23	Actual Mar-23	Actual Apr-23	Actual May-23	Actual Jun-23		
Customers	Total Customers	2,916	2,914	2,908	2,899	2,895	2,881	2,870	2,866	2,861	2,850	2,840	2,879	
Volumes														
AGSS kWh	140,550,212	156,042,127	158,521,053	128,100,178	113,724,003	110,735,017	142,256,603	117,303,168	105,380,541	110,859,003	117,373,237	129,405,901		
	Total Volume	149,592,519	156,943,127	158,521,053	128,190,378	113,294,993	110,735,017	142,925,693	117,393,168	105,380,541	110,859,003	117,373,237	128,405,901	
Demand														
AGSS kW	400,707	402,136	398,749	383,155	357,414	343,551	411,138	373,505	343,134	376,134	381,356	360,442		
	Total Demand	400,707	402,136	398,749	383,155	357,414	343,551	411,138	373,505	343,134	376,134	381,356	360,442	
		436,524	384,348	413,009	383,457	357,081	362,725	396,705	376,700	366,684	376,184	364,458	365,451	
Revenues														
Booked Volume Charge Revenues	*	*	*	*	*	*	*	*	*	*	*	*		
Booked Demand Charge Revenues	4,728,551	4,771,221	4,917,798	4,369,142	4,142,871	4,122,077	5,113,491	4,224,621	3,911,542	4,452,023	4,353,334	4,543,614	53,649,285	
IP Revenues	87,520	89,754	92,541	80,630	76,624	75,776	94,398	77,237	73,560	82,027	81,104	85,809	999,780	
	Total Revenue	4,816,471	4,869,976	5,010,339	4,449,772	4,219,495	4,197,853	5,207,889	4,302,358	3,985,102	4,434,950	4,434,438	4,629,423	54,649,065

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Annual General Service - Secondary (AGSS)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL	
Beginning Under/(Over) Recovery \$	\$ 194,107	\$ 194,107	\$ 194,107	\$ 194,107	\$ 194,107	\$ 194,107	\$ 194,107	\$ 194,107	\$ 188,118	\$ 174,895	\$ 162,195	\$ 147,973	\$ 133,952	\$ 194,107
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,989	\$ 13,223	\$ 12,700	\$ 14,222	\$ 14,021	\$ 14,548	\$ 74,703
Ending Under/(Over) Recovery \$	<u>\$ 194,107</u>	<u>\$ 188,118</u>	<u>\$ 174,895</u>	<u>\$ 162,195</u>	<u>\$ 147,973</u>	<u>\$ 133,952</u>	<u>\$ 119,404</u>	<u>\$ 119,404</u>						

Atlantic City Electric Company
Customers, Demand, Sales

Annual General Service - Secondary (AGSS)

	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
<u>Volumes*</u>												
Total Volume	150,433,593	136,554,778	128,199,505	137,196,066	107,465,531	106,964,715	164,572,080	152,427,100	161,101,215	119,420,550	142,828,434	126,109,559
<u>Demand</u>												
Total Demand	457,075	400,710	390,518	450,727	383,575	364,639	478,708	426,357	438,437	347,512	422,847	390,352
<u>Distribution Base Rates (w/o SUT)**</u>												
SUM kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
WIN kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
SUM kW	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.62 \$	\$ 11.62 \$	\$ 11.62 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$
WIN kW	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.62 \$	\$ 11.62 \$	\$ 11.62 \$	\$ 11.66 \$	\$ 11.66 \$	\$ 11.66 \$
IIP - All kW (w/o SUT)***	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$	\$ 0.23 \$
<u>Distribution Base Rates + IIP (w/o SUT)</u>												
Summer kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
Winter kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
Summer kW	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.85 \$	\$ 11.85 \$	\$ 11.85 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$
Winter kW	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.85 \$	\$ 11.85 \$	\$ 11.85 \$	\$ 11.89 \$	\$ 11.89 \$	\$ 11.89 \$
<u>Revenues</u>												
Volume Charge Revenues	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
Demand Charge Revenues	\$ 5,434,620 \$	\$ 4,764,443 \$	\$ 4,643,258 \$	\$ 5,359,140 \$	\$ 4,560,705 \$	\$ 4,335,552 \$	\$ 5,672,689 \$	\$ 5,052,335 \$	\$ 5,195,484 \$	\$ 4,131,917 \$	\$ 5,027,653 \$	\$ 4,641,282
Total Revenue	\$ 5,434,620 \$	\$ 4,764,443 \$	\$ 4,643,258 \$	\$ 5,359,140 \$	\$ 4,560,705 \$	\$ 4,335,552 \$	\$ 5,672,689 \$	\$ 5,052,335 \$	\$ 5,195,484 \$	\$ 4,131,917 \$	\$ 5,027,653 \$	\$ 4,641,282
<u>Customers</u>												
Total Customers	3,209	3,195	3,183	3,174	3,165	3,155	3,144	3,136	3,131	3,123	3,118	3,110
Baseline	1,693.56	1,491.22	1,458.77	1,688.45	1,440.98	1,374.18	1,804.29	1,611.08	1,659.37	1,323.06	1,612.46	1,492.37

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 5

Atlantic City Electric Company
Conservation Incentive Program
Annual General Service - Primary (AGSP)
July 2022 - June 2023

Customer Class (a)	Actual/ Estimate	Actual per Books			Actual Avg. (d) = (b) / (c)	Baseline (e)	Difference (f) = (d) - (e)	Margin Variance
		Total Class (b)	Number of Customers (c)	Revenue / Cust. (d) = (b) / (c)				
Residential								
July	a	\$ 990,680	117	8,467.35	\$ 9,936.77	\$ (1,469.42)		(\$171,923)
August	a	\$ 1,130,375	117	9,661.32	\$ 10,069.30	\$ (407.98)		(\$47,733)
September	a	\$ 1,202,860	118	10,193.73	\$ 8,965.35	\$ 1,228.38		\$144,949
October	a	\$ 1,099,596	118	9,318.61	\$ 7,217.56	\$ 2,101.05		\$247,924
November	a	\$ 1,009,149	119	8,480.25	\$ 8,203.84	\$ 276.41		\$32,893
December	a	\$ 890,315	119	7,481.64	\$ 9,190.84	\$ (1,709.20)		(\$203,394)
January	a	\$ 1,222,816	117	10,451.42	\$ 10,202.91	\$ 248.51		\$29,076
February	a	\$ 1,010,285	117	8,634.91	\$ 7,154.14	\$ 1,480.77		\$173,250
March	a	\$ 786,494	117	6,722.17	\$ 8,534.63	\$ (1,812.46)		(\$212,058)
April	a	\$ 1,115,616	117	9,535.18	\$ 9,241.27	\$ 293.91		\$34,388
May	a	\$ 989,223	117	8,454.89	\$ 7,845.17	\$ 609.72		\$71,337
June	a	\$ 1,109,677	116	9,566	\$ 7,384.28	\$ 2,181.90		\$253,101
Total		<u>\$ 12,557,086</u>		<u>\$ 106,968</u>	<u>\$ 103,946.06</u>	<u>\$ 3,021.59</u>		<u>\$351,808</u>
Margin Deficiency/ (Credit)							\$	(351,808)
Prior Period (Over) / Under Recovery							\$	<u>(80,758)</u>
Total Margin Deficiency/ (Credit)							\$	(432,566)
Projected AGSP kW Use								1,253,855
Pre-tax CIP Charge/(Credit) per kW							\$	(0.34)
BPU/RC Assessment Factor								<u>1.002630</u>
CIP Charge/(Credit) including assessments							\$	(0.35)
6.625% Sales Tax							\$	<u>(0.02)</u>
Proposed After-tax CIP Charge/(Credit) per kW							\$	(0.37)
Current After-tax CIP Charge/(Credit) per kW							\$	<u>(0.13)</u>
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kW							\$	<u>(0.24)</u>

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Annual General Service - Primary (AGSP)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL
Beginning Under/(Over) Recovery \$	\$ (147,832)	\$ (147,832)	\$ (147,832)	\$ (147,832)	\$ (147,832)	\$ (147,832)	\$ (147,832)	\$ (146,049)	\$ (133,337)	\$ (122,403)	\$ (107,961)	\$ (95,110)	\$ (147,832)
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,783)	\$ (12,712)	\$ (10,934)	\$ (14,443)	\$ (12,850)	\$ (14,352)
Ending Under/(Over) Recovery \$	<u>\$ (147,832)</u>	<u>\$ (146,049)</u>	<u>\$ (133,337)</u>	<u>\$ (122,403)</u>	<u>\$ (107,961)</u>	<u>\$ (95,110)</u>	<u>\$ (80,758)</u>						

Atlantic City Electric Company
Customers, Demand, Sales

Annual General Service - Primary (AGSP)

	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
Volumes*												
Total Volume	53,006,105	39,526,683	47,350,151	47,018,155	37,813,100	35,312,232	54,599,996	54,908,736	53,622,187	41,420,221	42,617,856	54,246,270
Demand												
Total Demand	135,533	93,513	111,558	119,812	101,712	95,737	129,242	130,965	117,563	94,342	105,490	118,182
Distribution Base Rates (w/o SUT)**												
SUM kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WIN kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUM kW	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.22	\$ 9.22	\$ 9.22	\$ 9.25	\$ 9.25	\$ 9.25
WIN kW	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.22	\$ 9.22	\$ 9.22	\$ 9.25	\$ 9.25	\$ 9.25
IIP - All kW (w/o SUT)***	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
Distribution Base Rates + IIP (w/o SUT)												
Summer kwh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Winter kwh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Summer kW	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.38	\$ 9.38	\$ 9.38	\$ 9.41	\$ 9.41	\$ 9.41
Winter kW	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.41	\$ 9.38	\$ 9.38	\$ 9.38	\$ 9.41	\$ 9.41	\$ 9.41
Revenues												
Volume Charge Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charge Revenues	\$ 1,275,364	\$ 879,959	\$ 1,049,760	\$ 1,127,435	\$ 957,111	\$ 900,882	\$ 1,212,286	\$ 1,228,454	\$ 1,102,738	\$ 887,760	\$ 992,664	\$ 1,112,091
Total Revenue	\$ 1,275,364	\$ 879,959	\$ 1,049,760	\$ 1,127,435	\$ 957,111	\$ 900,882	\$ 1,212,286	\$ 1,228,454	\$ 1,102,738	\$ 887,760	\$ 992,664	\$ 1,112,091
Customers												
Total Customers	125	123	123	122	122	122	122	122	123	123	121	121
Baseline	10,202.91	7,154.14	8,534.63	9,241.27	7,845.17	7,384.28	9,936.77	10,069.30	8,965.35	7,217.56	8,203.84	9,190.84

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 6

Atlantic City Electric Company
Conservation Incentive Program
Transmission General Service - Subtransmission (TGST)
July 2022 - June 2023

Customer Class (a)	Actual/ Estimate (a)	Actual per Books			Actual Avg. (d) = (b) / (c)	Baseline Revenue / Cust. ¹ (e)	Difference (f) = (d) - (e)	Margin Variance
		Total Class Revenues (b)	Number of Customers (c)	Revenue / Cust. (d) = (b) / (c)				
Residential								
July	a	\$ 255,183	37	6,896.85	\$ 6,036.41	\$ 860.44		\$31,836
August	a	\$ 270,539	36	7,514.96	\$ 7,436.80	\$ 78.16		\$2,814
September	a	\$ 291,590	36	8,099.72	\$ 8,385.05	\$ (285.33)		(\$10,272)
October	a	\$ 257,359	36	7,148.87	\$ 6,716.53	\$ 432.34		\$15,564
November	a	\$ 245,928	36	6,831.33	\$ 6,217.44	\$ 613.89		\$22,100
December	a	\$ 243,202	36	6,755.61	\$ 3,103.75	\$ 3,651.86		\$131,467
January	a	\$ 255,192	37	6,897.08	\$ 7,067.00	\$ (169.92)		(\$6,287)
February	a	\$ 256,317	37	6,927.49	\$ 7,162.54	\$ (235.05)		(\$8,697)
March	a	\$ 228,181	37	6,167.06	\$ 6,674.35	\$ (507.29)		(\$18,770)
April	a	\$ 250,718	37	6,776.16	\$ 7,236.19	\$ (460.03)		(\$17,021)
May	a	\$ 234,812	37	6,346.27	\$ 6,347.33	\$ (1.06)		(\$39)
June	a	\$ 247,462	36	6,874	\$ 6,619.16	\$ 254.79		\$9,173
Total		<u>\$ 3,036,484</u>		<u>\$ 83,235.4</u>	<u>\$ 79,002.54</u>	\$ 4,232.81		<u>\$151,868</u>
Margin Deficiency/ (Credit)							\$	(151,868)
Prior Period (Over) / Under Recovery							\$	<u>(142,646)</u>
Total Margin Deficiency/ (Credit)							\$	(294,514)
Projected TGST kW Use								1,069,351
Pre-tax CIP Charge/(Credit) per kW							\$	(0.275414)
BPU/RC Assessment Factor								<u>1.002630</u>
CIP Charge/(Credit) including assessments							\$	(0.2761)
6.625% Sales Tax							\$	<u>(0.0183)</u>
Proposed After-tax CIP Charge/(Credit) per kW							\$	(0.29)
Current After-tax CIP Charge/(Credit) per kW							\$	<u>(0.17)</u>
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kW							\$	<u>(0.12)</u>

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Transmission General Service - Subtransmission (TGST)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL
Beginning Under/(Over) Recovery \$	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (174,346)	\$ (167,843)	\$ (161,824)	\$ (155,363)	\$ (148,995)	\$ (174,346)
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,503)	\$ (6,019)	\$ (6,461)	\$ (6,369)	\$ (31,700)
Ending Under/(Over) Recovery \$	<u>\$ (174,346)</u>	<u>\$ (167,843)</u>	<u>\$ (161,824)</u>	<u>\$ (155,363)</u>	<u>\$ (148,995)</u>	<u>\$ (142,646)</u>	\$ (142,646)						

Atlantic City Electric Company
Customers, Demand, Sales

Transmission General Service - Subtransmission (TGST)

	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Actual May-20	Actual Jun-20	Actual Jul-20	Actual Aug-20	Actual Sep-20	Actual Oct-20	Actual Nov-20	Actual Dec-20
Volumes*												
Summer/Winter kWh	46,053,260	46,447,194	43,819,643	40,985,761	30,632,409	31,430,882	34,108,921	49,807,329	53,864,054	47,597,389	42,421,208	25,238,787
Total Volume	46,053,260	46,447,194	43,819,643	40,985,761	30,632,409	31,430,882	34,108,921	49,807,329	53,864,054	47,597,389	42,421,208	25,238,787
Demand												
<5000 kW	42,373	43,339	40,279	44,364	36,036	37,846	32,983	37,491	52,010	38,272	34,272	7,304
5000 - 9,000 kW	21,901	21,901	20,488	21,751	21,194	21,901	21,194	24,198	23,230	22,597	20,571	15,836
>9000 kW	30,421	30,421	28,458	30,007	29,439	30,421	29,439	32,553	31,701	30,469	27,518	25,398
Total Demand	94,695	95,660	89,225	96,122	86,669	90,167	83,616	94,242	106,941	91,339	82,361	48,539
Distribution Base Rates (w/o SUT)**												
SUM/WIN kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,000 < kW	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.59	\$ 3.59	\$ 3.59	\$ 3.60	\$ 3.60	\$ 3.60
5,000-9,000 kW	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77	\$ 2.77
>9,000 kW	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40
IIP - All kW (w/o SUT)***	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Distribution Base Rates + IIP (w/o SUT)												
Summer/Winter kWh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<5000 kW	\$ 3.66	\$ 3.66	\$ 3.66	\$ 3.66	\$ 3.66	\$ 3.66	\$ 3.65	\$ 3.65	\$ 3.65	\$ 3.66	\$ 3.66	\$ 3.66
5000 - 9,000 kW	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83
>9,000 kW	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46
Revenues												
Volume Charge Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charge Revenues	\$ 261,479	\$ 265,014	\$ 246,951	\$ 267,739	\$ 234,851	\$ 244,909	\$ 223,347	\$ 252,851	\$ 301,862	\$ 248,512	\$ 223,828	\$ 108,631
Total Revenue	\$ 261,479	\$ 265,014	\$ 246,951	\$ 267,739	\$ 234,851	\$ 244,909	\$ 223,347	\$ 252,851	\$ 301,862	\$ 248,512	\$ 223,828	\$ 108,631
Customers												
<5000 kW	30	30	30	30	30	30	30	27	29	30	29	28
5000 - 9,000 kW	4	4	4	4	4	4	4	4	4	4	4	4
>9,000 kW	3	3	3	3	3	3	3	3	3	3	3	3
Total Customers	37	34	36	37	36	35						
Baseline	7,067.0	7,162.5	6,674.4	7,236.2	6,347.3	6,619.2	6,036.4	7,436.8	8,385.0	6,716.5	6,217.4	3,103.7

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 7

Atlantic City Electric Company
Conservation Incentive Program
Transmission General Service (TGS)
July 2022 - June 2023

<u>Customer Class</u> (a)	<u>Actual/ Estimate</u>	Actual per Books			<u>Actual Avg. Revenue / Cust.</u> (d) = (b) / (c)	<u>Baseline Revenue / Cust.¹</u> (e)	<u>Difference</u> (f) = (d) - (e)	<u>Margin Variance</u>
		<u>Total Class Revenues</u> (b)	<u>Number of Customers</u> (c)					
<u>Residential</u>								
July	a	\$ 94,647	16	5,915.45	\$ 3,244.67	\$ 2,670.78		\$ 42,733
August	a	\$ 90,234	16	5,639.64	\$ 6,657.44	\$ (1,017.80)		(\$16,285)
September	a	\$ 82,489	16	5,155.58	\$ 6,165.67	\$ (1,010.09)		(\$16,161)
October	a	\$ 188,326	16	11,770.39	\$ 5,197.65	\$ 6,572.74		\$105,164
November	a	\$ 100,885	15	6,725.69	\$ 6,269.77	\$ 455.92		\$6,839
December	a	\$ 62,925	15	4,195.03	\$ 5,746.35	\$ (1,551.32)		(\$23,270)
January	a	\$ 134,248	15	8,949.85	\$ 6,053.22	\$ 2,896.63		\$43,449
February	a	\$ 113,198	15	7,546.56	\$ 6,182.00	\$ 1,364.56		\$20,468
March	a	\$ 98,680	15	6,578.70	\$ 6,790.34	\$ (211.64)		(\$3,175)
April	a	\$ 96,475	15	6,431.65	\$ 5,436.86	\$ 994.79		\$14,922
May	a	\$ 95,134	15	6,342.27	\$ 4,867.35	\$ 1,474.92		\$22,124
June	a	\$ 112,421	15	7,495	\$ 5,263.43	\$ 2,231.31		\$33,470
Total		<u>\$ 1,269,664</u>		<u>\$ 82,745.6</u>	<u>\$ 67,874.75</u>	\$ 14,870.80		<u>\$230,278</u>
Margin Deficiency/ (Credit)						\$ (230,278)		
Prior Period (Over) / Under Recovery						\$ 34,656		
Total Margin Deficiency/ (Credit)						\$ (195,622)		
Projected TGS kW Use							1,103,635	
Pre-tax CIP Charge/(Credit) per kW						\$ (0.177252)		
BPU/RC Assessment Factor						<u>1.002630</u>		
CIP Charge/(Credit) including assessments						\$ (0.1777)		
6.625% Sales Tax						<u>\$ (0.0118)</u>		
Proposed After-tax CIP Charge/(Credit) per kW								
Current After-tax CIP Charge/(Credit) per kW						\$ 0.05		
Increase/ (Decrease) in After-tax CIP Charge/(Credit) per kW						<u>\$ (0.24)</u>		

¹ From latest base rate adjustment divided by billing determinants approved in the 2020 Base Rate Case (BPU Docket No. ER20120746).

Atlantic City Electric Company
Customers, Demand, Sales

Atlantic City Electric Company
Statement of Estimated Under/(Over) Recovered CIP Balance
Transmission General Service (TGS)
Twelve Months Ending June 2023

	Actual <u>Jul-22</u>	Actual <u>Aug-22</u>	Actual <u>Sep-22</u>	Actual <u>Oct-22</u>	Actual <u>Nov-22</u>	Actual <u>Dec-22</u>	Actual <u>Jan-23</u>	Actual <u>Feb-23</u>	Actual <u>Mar-23</u>	Actual <u>Apr-23</u>	Actual <u>May-23</u>	Actual <u>Jun-23</u>	TOTAL
Beginning Under/(Over) Recovery \$	\$ 55,483	\$ 55,483	\$ 55,483	\$ 55,483	\$ 55,483	\$ 55,483	\$ 55,483	\$ 55,483	\$ 50,961	\$ 46,761	\$ 43,559	\$ 39,125	\$ 55,483
Actual Billed CIP Year 1 Recovery \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,522	\$ 4,200	\$ 3,202	\$ 4,434	\$ 4,470	\$ 20,827
Ending Under/(Over) Recovery \$	<u>\$ 55,483</u>	<u>\$ 50,961</u>	<u>\$ 46,761</u>	<u>\$ 43,559</u>	<u>\$ 39,125</u>	<u>\$ 34,656</u>	<u>\$ 34,656</u>						

Atlantic City Electric Company
Customers, Demand, Sales

Transmission General Service (TGS)

	Actual <u>Jan-20</u>	Actual <u>Feb-20</u>	Actual <u>Mar-20</u>	Actual <u>Apr-20</u>	Actual <u>May-20</u>	Actual <u>Jun-20</u>	Actual <u>Jul-20</u>	Actual <u>Aug-20</u>	Actual <u>Sep-20</u>	Actual <u>Oct-20</u>	Actual <u>Nov-20</u>	Actual <u>Dec-20</u>
Volumes*												
Summer/Winter kWh	32,748,374	33,739,652	34,772,276	41,383,762	19,881,750	30,184,564	26,470,810	40,104,434	39,481,200	35,613,278	37,195,681	35,902,787
Total Volume	<u>32,748,374</u>	<u>33,739,652</u>	<u>34,772,276</u>	<u>41,383,762</u>	<u>19,881,750</u>	<u>30,184,564</u>	<u>26,470,810</u>	<u>40,104,434</u>	<u>39,481,200</u>	<u>35,613,278</u>	<u>37,195,681</u>	<u>35,902,787</u>
Demand												
<5000 kW	13,275	13,586	14,749	10,126	11,173	11,673	5,577	12,943	11,347	12,282	12,348	10,772
5000 - 9000 kW	17,481	17,977	16,413	17,468	16,236	16,649	9,591	24,364	23,109	17,770	17,568	16,945
>9000 kW	69,518	69,296	145,877	68,061	26,227	68,502	42,715	48,160	47,671	43,488	156,262	59,601
Total Demand	<u>100,273</u>	<u>100,859</u>	<u>177,039</u>	<u>95,655</u>	<u>53,636</u>	<u>96,825</u>	<u>57,883</u>	<u>85,467</u>	<u>82,127</u>	<u>73,540</u>	<u>186,178</u>	<u>87,318</u>
Distribution Base Rates (w/o SUT)**												
SUM/WIN kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
5,000 < kW	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79	\$ 2.79
5,000-9,000 kW	\$ 2.17	\$ 2.17	\$ 2.17	\$ 2.17	\$ 2.17	\$ 2.17	\$ 2.17	\$ 2.16	\$ 2.16	\$ 2.16	\$ 2.17	\$ 2.17
>9,000 kW	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.17	\$ 0.17
IIP - All kW (w/o SUT)***	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04
Distribution Base Rates + IIP (w/o SUT)												
Summer/Winter kWh	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
<5000 kW	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83
5000 - 9000 kW	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.21	\$ 2.20	\$ 2.20	\$ 2.21	\$ 2.21	\$ 2.21
>9000 kW	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.21	\$ 0.21	\$ 0.21
Revenues												
Volume Charge Revenues	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
Demand Charge Revenues	\$ 90,798	\$ 92,730	\$ 108,646	\$ 81,553	\$ 73,010	\$ 84,215	\$ 45,425	\$ 99,862	\$ 92,485	\$ 83,162	\$ 106,586	\$ 80,449
Total Revenue	<u>\$ 90,798</u>	<u>\$ 92,730</u>	<u>\$ 108,646</u>	<u>\$ 81,553</u>	<u>\$ 73,010</u>	<u>\$ 84,215</u>	<u>\$ 45,425</u>	<u>\$ 99,862</u>	<u>\$ 92,485</u>	<u>\$ 83,162</u>	<u>\$ 106,586</u>	<u>\$ 80,449</u>
Customers												
<5000 kW	7	7	7	7	8	7	6	6	7	7	8	7
5000 - 9000 kW	3	3	3	3	3	3	2	3	3	3	3	3
>9000 kW	5	5	6	5	4	6	6	6	5	6	6	4
Total Customers	<u>15</u>	<u>15</u>	<u>16</u>	<u>15</u>	<u>15</u>	<u>16</u>	<u>14</u>	<u>15</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>14</u>
Baseline	6,053.2	6,182.0	6,790.3	5,436.9	4,867.3	5,263.4	3,244.7	6,657.4	6,165.7	5,197.7	6,269.8	5,746.4

Notes:

*Billing Determinants as approved in the ACE Base Rate Case (BPU Docket No. ER20120746).

**Distribution Base Rates as approved in BPU Docket No. ER20120746. Distribution Base Rates are updated to reflect approved PowerAhead 7 rates effective October 1, 2022 (BPU Docket No. ER22050323).

***IIP rates as approved in BPU Docket No. ER21111206 effective on April 1, 2022.

Exhibit A

Schedule 8

ACE Weather Norm Sales Effect (kWh)

Month	RES	MGS – Secondary	MGS – Primary	AGS – Secondary	AGS – Primary	TGS Subtrans	TGS Trans	DDC	Imputed kWh Rate				
	Effect (kWh)	Effect (kWh)	Effect (kWh)	Effect (kWh)	Effect (kWh)	Effect (kWh)	Effect (kWh)	Effect (kWh)	Total	AGSS	AGSP	TGSS	TGS
January	13,486,238	2,785,507	52,648	2,344,931	-	411,474	51,094	-	19,131,892	0.03578	0.02517	0.00591	0.00338
February	33,697,610	6,943,932	132,160	5,839,386	-	1,019,661	128,259	-	47,761,008	0.03599	0.02344	0.00588	0.00193
March	14,116,386	2,928,515	54,623	2,470,298	-	437,459	53,010	-	20,060,291	0.03712	0.02287	0.00597	0.00289
April	10,604,791	1,991,494	48,917	1,599,493	-	219,000	47,473	-	14,511,168	0.03714	0.02448	0.00582	0.00311
May	13,453,335	1,426,555	27,561	1,138,085	324,606	217,647	164,394	-	16,752,182	0.03708	0.02339	0.00560	0.00229
June	65,726,228	6,433,760	114,276	5,147,780	1,759,199	1,058,335	856,873	-	81,096,451	0.03538	0.02356	0.00549	0.00386
July	18,989,130	1,562,812	53,422	1,854,008	537,796	540,897	267,040	-	23,805,105	0.03162	0.02134	0.00515	0.00200
August	(45,336,496)	(3,731,209)	(127,544)	(4,426,438)	(1,283,987)	(1,291,390)	(637,557)	-	(56,834,621)	0.03040	0.01996	0.00475	0.00220
September	(14,637,885)	(1,204,703)	(41,180)	(1,429,173)	(414,564)	(416,954)	(205,849)	-	(18,350,308)	0.03102	0.02134	0.00508	0.00215
October	15,115,297	638,867	27,222	1,257,332	461,197	468,082	257,423	-	18,225,420	0.03408	0.02150	0.00520	0.00282
November	5,668,024	1,214,709	34,806	824,154	119,312	115,215	24,154	-	8,000,374	0.03659	0.02288	0.00555	0.00258
December	(3,128,688)	(664,424)	(18,288)	(461,034)	(62,690)	(66,162)	(12,691)	-	(4,413,977)	0.03722	0.02318	0.00577	0.00192
12 me June 2023	127,753,970	20,325,815	358,623	16,158,822	1,440,869	2,713,264	993,623	-	169,744,985				

Distribution Rates*

tariff kWh Rate Summer block 1
 tariff kWh Rate Summer block 2 excess >750
 tariff kWh Rate Winter block 1
 tariff kWh Rate Winter block 2 excess > 500

Rates (w/o SUT)		
0.068112	0.058109	0.045116
0.080007		
0.061966	0.051412	0.043704
0.061966		

Distribution Rates**

tariff kWh Rate Summer block 1
 tariff kWh Rate Summer block 2 excess >750
 tariff kWh Rate Winter block 1
 tariff kWh Rate Winter block 2 excess > 500

Rates (w/o SUT)		
0.068349	0.058296	0.045257
0.080244		
0.062203	0.051599	0.043845
0.062203		

Total Revenue Adjustment 12me June 2023

	RES	MGS – Secondary	MGS – Primary	AGS – Secondary	AGS – Primary	TGS Subtrans	TGS Trans	DDC	
Revenue Adj. Summer	\$ (281,154)	\$ 179,053	\$ (30)						
Revenue Adj. Winter	\$ 8,054,819	\$ 890,858	\$ 15,769						
Revenue Adj. Total	\$ 7,773,664	\$ 1,069,911	\$ 15,739	\$ 605,053	\$ 37,240	\$ 16,575	\$ 3,850	\$ -	\$ 9,522,033

*Distribution rates as approved in the PowerAhead 6 BPU Docket No. ER21111205 effective April 1, 2022.

**Distribution rates as approved in the PowerAhead 7 BPU Docket No. ER22050323 effective October 1, 2022.

ACE Residential Weather Norm Adjustment

	Jan	Feb	Mar	Apr	May	June	July	August	September	October	November	December	12 me WN Total	Adjustment
SUM First (kwh)						24,788,313	11,978,834	(25,061,787)	(9,244,539)	6,147,958				
SUM Sec (kwh)						6,167,544	7,010,296	(20,274,709)	(5,393,346)	1,647,205				
WIN (kwh)	13,486,238	33,697,610	14,116,386	10,604,791	13,453,335	34,770,371				7,320,134	5,668,024	(3,128,688)	127,753,970	
Total (kwh)	13,486,238	33,697,610	14,116,386	10,604,791	13,453,335	65,726,228	18,989,130	(45,336,496)	(14,637,885)	15,115,297	5,668,024	(3,128,688)		
% SUM FIRST						37.71%	63.08%	55.28%	63.15%	40.67%				
% SUM Sec						9.38%	36.92%	44.72%	36.85%	10.90%				
% WIN						52.90%				48.43%				
Total %						100.00%	100.00%	100.00%	100.00%	100.00%				
SUM First	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,688,372	\$ 815,898	\$ (1,706,999)	\$ (629,660)	\$ 418,747	\$ -	\$ -		
SUM Sec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,444	\$ 560,870	\$ (1,622,110)	\$ (431,503)	\$ 131,787	\$ -	\$ -	\$ (281,154)	Summer
WIN	\$ 835,685	\$ 2,088,098	\$ 874,733	\$ 657,134	\$ 833,646	\$ 2,154,573	\$ -	\$ -	\$ -	\$ 453,598	\$ 351,223	\$ (193,872)	\$ 8,054,819	Winter
Total Weather Impact (\$)	835,685	2,088,098	874,733	657,134	833,646	4,336,389	\$ 1,376,767	\$ (3,329,108)	\$ (1,061,163)	\$ 1,004,132	\$ 351,223	\$ (193,872)	\$ 7,773,664	Total

Exhibit A

Schedule 9

Atlantic City Electric Company
Conservation Incentive Program Filing
July 2022 - June 2023
CIP Recovery Tests
Summary

Determine Weather and Non-Weather CIP Impacts

	Asset / (Liability)		
	<u>Weather</u>	<u>Non-Weather</u>	<u>Total</u>
CIP Residential	\$ 7,773,664	\$ 8,576,302	\$ 16,349,966
CIP MGSS	\$ 1,069,911	\$ (11,611,717)	\$ (10,541,806)
CIP MGSP	\$ 15,739	\$ (2,469,937)	\$ (2,454,198)
CIP AGSS	\$ 605,053	\$ (1,535,806)	\$ (930,753)
CIP AGSP	\$ 37,240	\$ (389,048)	\$ (351,808)
CIP TGST	\$ 16,575	\$ (168,443)	\$ (151,868)
CIP TGS	\$ 3,850	\$ (234,128)	\$ (230,278)
 Total Deficiency/(Credit)	 \$ 9,522,033	 \$ (7,832,777)	 \$ 1,689,255

Step 2: Apply Modified BGS Savings Test

A. Non-weather Impact Subject to Modified BGS Savings Test

Non-Weather Impact	\$ -	
75% Factor		75%
Subtotal	\$ -	
 Prior Year Carry-Forward (Modified BGS Savings Test)	 \$ -	
 Non-weather Impact Subject to Test	 \$ -	

B. BGS Savings

Permanent Capacity Savings (will not change)	\$ 9,177,670	
Additional Capacity BGS Savings	\$ -	
Avoided Cost BGS Savings	\$ (259,618)	
Total BGS Savings	<u>\$ 8,918,053</u>	

C. Results

Non-Weather Impacts Passing Test (current accrual)	\$ -
Non-Weather Impacts Passing Test (prior year carry-forward)	\$ -
Non-Weather Impacts Exceeding Test	\$ -

Atlantic City Electric Company
Conservation Incentive Program Filing
July 2022 - June 2023
CIP Recovery Tests
Summary

Step 3: Apply Variable Margin Revenue Test

<u>A. Non-weather Impact Subject to Variable Margin Revenue Test</u>	
Non-Weather Impact	\$ (7,832,777)
Prior Year Carry-Forward (Variable Margin Revenue Test)	\$ -
Non-weather Impact Subject to Test	\$ (7,832,777)

<u>B. Variable Margin Revenues</u>	
Variable Margin Revenues	\$ 435,639,464
6.5% Factor	<u>6.5%</u>
Total Fixed Recovery/(Refund) Cap	\$ 28,316,565

<u>C. Results</u>	
Non-Weather Impacts Passing Test (current accrual)	\$ (7,832,777)
Non-Weather Impacts Passing Test (prior year carry-forward)	\$ -
Non-Weather Impacts Exceeding Test	\$ -

Step 4: Determine Recoverable Non-Weather CIP Impacts

<u>A. Current Year Accrual Recoverable Non-Weather Impacts</u>	
Amount Passing Modified BGS Savings Test	\$ -
Amount Passing Variable Margin Revenue Test	\$ (7,832,777)
Recoverable/(Refund) Amount	\$ (7,832,777)
<u>B. Previous Carry-Forward Recoverable Amounts</u>	
Amount Passing Modified BGS Savings Test	\$ -
Amount Passing Variable Margin Revenue Test	\$ -
Deduction for any amount also included in above	\$ -
Total Non-Weather Recoverable (Refundable) CIP Amount	\$ (7,832,777)

Atlantic City Electric Company
CIP Recovery Tests
CIP BGS Savings

I. Permanent BGS Savings

Year	WN Summer Peak	Final Zonal UCAP Obligation	AE Zonal Net Load Price \$/MW-Day	AE Zonal Net Load Price \$/kW-yr
2009/2010		2,994	\$193.70	\$70.75
2010/2011		3,008	\$182.85	\$66.79
2011/2012	2,550	2,998	\$116.15	\$42.42
2012/2013	2,520	2,966	\$143.06	\$52.25
2013/2014	2,600	2,995	\$248.30	\$90.69
2014/2015	2,590	2,993	\$137.54	\$50.24
2015/2016	2,610	2,934	\$166.53	\$60.83
2016/2017	2,450	2,767	\$163.27	\$59.63
2017/2018	2,460	2,717	\$153.74	\$56.15
2018/2019	2,350	2,798	\$218.96	\$79.97
2019/2020	2,330	2,791	\$115.58	\$42.22
2020/2021	2,390	2,914	\$174.32	\$63.67
2021/2022	2,400	2,811	\$167.68	\$61.25
2022/2023	2,400	2,856	\$98.04	\$35.81

Permanent Capacity Savings	217
2020 AE Zonal Net Load Capacity Cost per kW-year	\$42.22
Total Permanent Reductions	\$9,177,670

II. Additional Capacity BGS Savings

CIP Recovery

Year	WN Summer Peak	Final Zonal UCAP Obligation	PS Zonal Net Load Price \$/MW-Day
2019/2020*	2,330	2,791	\$115.58
2022/2023*	2,400	2,856	\$98.04

Incremental Capacity Savings*	0
AE Zonal Net Load Capacity Cost per kW-year	\$35.81

Total Additional Capacity Reductions \$ -

* Due to the potential for Peak increases due to Electric Vehicles and Electrification, incremental savings is set as a minimum of the incremental obligation savings or zero

III. Avoided Capacity

CIP Recovery			<u>Annual \$</u>
Year			
2022/2023*			\$ (259,618)

VI. Total of all Savings

CIP Recovery Year	Permanent Capacity Savings	Additional Capacity BGS Savings	Avoided Cost BGS Savings	<u>Annual \$</u>
2022/2023*	\$ 9,177,670	\$ -	\$ (259,618)	\$ 8,918,053

Atlantic City Electric Company
CIP Recovery Tests
Avoided Capacity Cost BGS Savings

Month	Customer Count	Customer Count	Customer Count	Net Increase/ (Decrease)		Base Year Unforced Capacity / Customer (kW)	Current Year Capacity Rate / Cust. (\$/kW)	Avoided Capacity
				Base Year	Current Year			
(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f)	(g) = (d) * (e) * (f)		
Residential								
July	497,107	501,579	4,472	3.22	\$2.98	42,934		
August	497,316	501,762	4,446	3.22	\$2.98	42,667		
September	497,292	501,866	4,574	3.22	\$2.98	43,897		
October	497,254	501,761	4,507	3.22	\$2.98	43,258		
November	497,517	502,039	4,522	3.21	\$2.98	43,379		
December	497,741	502,244	4,503	3.21	\$2.98	43,177		
January	495,045	502,606	7,561	3.23	\$2.98	72,893		
February	495,316	502,919	7,603	3.23	\$2.98	73,258		
March	495,518	503,257	7,739	3.23	\$2.98	74,538		
April	495,865	503,418	7,553	3.23	\$2.98	72,696		
May	496,291	503,701	7,410	3.22	\$2.98	71,258		
June	496,726	503,915	7,189	3.22	\$2.98	69,072		
Subtotal	496,582	502,589	6,007			693,028		
MGSS								
July	55,843	56,663	820	6.81	\$2.98	16,656		
August	55,843	56,688	845	6.81	\$2.98	17,164		
September	55,869	56,645	776	6.80	\$2.98	15,755		
October	55,941	56,590	649	6.79	\$2.98	13,159		
November	56,060	56,608	548	6.78	\$2.98	11,088		
December	56,091	56,700	609	6.78	\$2.98	12,315		
January	55,737	56,704	967	6.82	\$2.98	19,679		
February	55,743	56,712	969	6.82	\$2.98	19,718		
March	55,775	56,719	944	6.81	\$2.98	19,198		
April	55,737	56,746	1,009	6.82	\$2.98	20,534		
May	55,777	56,800	1,023	6.81	\$2.98	20,804		
June	55,805	56,799	994	6.81	\$2.98	20,204		
Subtotal	55,852	56,698	846			206,272		
MGSP								
July	121	142	21	70.16	\$2.98	4,397		
August	119	148	29	71.34	\$2.98	6,174		
September	119	154	35	71.34	\$2.98	7,451		
October	118	160	42	71.95	\$2.98	9,017		
November	120	159	39	70.75	\$2.98	8,234		
December	121	162	41	70.16	\$2.98	8,585		
January	114	150	36	74.47	\$2.98	8,000		
February	115	154	39	73.82	\$2.98	8,592		
March	115	159	44	73.82	\$2.98	9,693		
April	116	164	48	73.19	\$2.98	10,483		
May	116	173	57	73.19	\$2.98	12,449		
June	119	176	57	71.34	\$2.98	12,135		
Subtotal	118	158	41			\$105,212		

AGSS						
July	3,144	2,916	(228)	118.01	\$2.98	(80,291)
August	3,136	2,914	(222)	118.31	\$2.98	(78,378)
September	3,131	2,908	(223)	118.50	\$2.98	(78,857)
October	3,123	2,899	(224)	118.80	\$2.98	(79,413)
November	3,118	2,895	(223)	118.99	\$2.98	(79,185)
December	3,110	2,881	(229)	119.30	\$2.98	(81,525)
January	3,209	2,870	(339)	115.62	\$2.98	(116,962)
February	3,195	2,866	(329)	116.12	\$2.98	(114,009)
March	3,183	2,861	(322)	116.56	\$2.98	(112,004)
April	3,174	2,850	(324)	116.89	\$2.98	(113,020)
May	3,165	2,853	(312)	117.22	\$2.98	(109,143)
June	3,155	2,840	(315)	117.59	\$2.98	(110,542)
Subtotal	3,154	2,879	(274)			<u><u>(\$1,153,330)</u></u>

AGSP						
July	122	117	(5)	742.62	\$2.98	(11,081)
August	122	117	(5)	742.62	\$2.98	(11,081)
September	123	118	(5)	736.58	\$2.98	(10,991)
October	123	118	(5)	736.58	\$2.98	(10,991)
November	121	119	(2)	748.76	\$2.98	(4,469)
December	121	119	(2)	748.76	\$2.98	(4,469)
January	125	117	(8)	724.80	\$2.98	(17,304)
February	123	117	(6)	736.58	\$2.98	(13,189)
March	123	117	(6)	736.58	\$2.98	(13,189)
April	122	117	(5)	742.62	\$2.98	(11,081)
May	122	117	(5)	742.62	\$2.98	(11,081)
June	122	116	(6)	742.62	\$2.98	(13,297)
Subtotal	122	117	(5)	742.62	\$2.98	<u><u>(132,220)</u></u>

TGST						
July	37	37	-	2,794.88	\$2.98	-
August	34	36	2	3,041.49	\$2.98	18,153
September	36	36	-	2,872.52	\$2.98	-
October	37	36	(1)	2,794.88	\$2.98	(8,341)
November	36	36	-	2,872.52	\$2.98	-
December	35	36	1	2,954.59	\$2.98	8,817
January	37	37	-	2,794.88	\$2.98	-
February	37	37	-	2,794.88	\$2.98	-
March	37	37	-	2,794.88	\$2.98	-
April	37	37	-	2,794.88	\$2.98	-
May	37	37	-	2,794.88	\$2.98	-
June	37	36	(1)	2,794.88	\$2.98	<u><u>(8,341)</u></u>
Subtotal	36	37	0			<u><u>\$10,289</u></u>

TGS						
July	14	16	2	3,730.14	\$2.98	22,263
August	15	16	1	3,730.14	\$2.98	11,132
September	15	16	1	3,730.14	\$2.98	11,132
October	16	16	-	3,730.14	\$2.98	-
November	17	15	(2)	3,730.14	\$2.98	(22,263)
December	14	15	1	3,730.14	\$2.98	11,132
January	15	15	-	3,730.14	\$2.98	-
February	15	15	-	3,730.14	\$2.98	-
March	16	15	(1)	3,730.14	\$2.98	(11,132)
April	15	15	-	3,730.14	\$2.98	-
May	15	15	-	3,730.14	\$2.98	-
June	16	15	(1)	3,730.14	\$2.98	<u><u>(11,132)</u></u>
Subtotal	15	15	0			<u><u>\$11,132</u></u>

Total Avoided Capacity Cost BGS Savings (\$259,618)

Notes:

(1) Base Year Customer Count is equal to the test year customer count used to set base rates in a base rate case

(2) Current Year Customer Count is equal to the customer count in the CIP accrual year.

(3) Base Year Unforced capacity is equal to the 2019/2020 Unforced capacity from PJM by rate schedule divided by number of customers

(4) Current Year Capacity rate is the current year PS Zonal Net Load Price \$/kW-yr divided by 12

Atlantic City Electric Company
CIP Recovery Tests

Allowed Margin

Residential	\$280,772,430
MGSS	\$82,665,199
MGSP	\$2,354,214
AGSS	\$53,718,343
AGSP	\$12,205,277
TGST	\$2,884,615
TGS	<u>\$1,039,387</u>

Total Variable Margin **\$435,639.464**

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
<u>Residential</u>				
July	a	501,579	76.0	\$38,095,138
August	a	501,762	85.4	\$42,834,507
September	a	501,866	68.7	\$34,496,489
October	a	501,761	38.2	\$19,158,156
November	a	502,039	30.8	\$15,448,582
December	a	502,244	38.7	\$19,460,086
January	a	502,606	46.6	\$23,400,139
February	a	502,919	37.6	\$18,907,792
March	a	503,257	34.2	\$17,210,594
April	a	503,418	33.3	\$16,751,156
May	a	503,701	28.9	\$14,548,383
June	a	503,915	40.6	<u>\$20,461,409</u>
Total			558.9	\$280,772,430

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
<u>MGSS</u>				
July	a	56,663	160.5	\$9,094,774
August	a	56,688	174.6	\$9,898,998
September	a	56,645	162.7	\$9,216,851
October	a	56,590	124.8	\$7,063,328
November	a	56,608	102.4	\$5,796,156
December	a	56,700	106.0	\$6,011,472
January	a	56,704	127.7	\$7,239,240
February	a	56,712	108.8	\$6,168,355
March	a	56,719	105.8	\$6,000,115
April	a	56,746	97.2	\$5,516,336
May	a	56,800	82.3	\$4,674,446
June	a	56,799	105.4	<u>\$5,985,127</u>
Total			1,458.2	\$82,665,199

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
<u>MGSP</u>				
July	a	142	1,478.8	\$209,983
August	a	148	1,631.6	\$241,483
September	a	154	1,345.5	\$207,208
October	a	160	962.2	\$153,949
November	a	159	1,816.6	\$288,832
December	a	162	1,256.1	\$203,489
January	a	150	1,321.7	\$198,255
February	a	154	885.6	\$136,380
March	a	159	1,515.4	\$240,941
April	a	164	1,395.8	\$228,904
May	a	173	894.0	\$154,654
June	a	176	512.1	<u>\$90,136</u>
Total			15,015.2	\$2,354,214

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
<u>AGSS</u>				
July	a	2,916	1,804.3	\$5,261,311
August	a	2,914	1,611.1	\$4,694,676
September	a	2,908	1,659.4	\$4,825,445
October	a	2,899	1,323.1	\$3,835,552
November	a	2,895	1,612.5	\$4,668,074
December	a	2,881	1,492.4	\$4,299,528
January	a	2,870	1,693.6	\$4,860,505
February	a	2,866	1,491.2	\$4,273,832
March	a	2,861	1,458.8	\$4,173,535
April	a	2,850	1,688.5	\$4,812,083
May	a	2,853	1,441.0	\$4,111,119
June	a	2,840	<u>1,374.2</u>	<u>\$3,902,684</u>
Total			18,649.8	\$53,718,343

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
<u>AGSP</u>				
July	a	117	9,936.8	\$1,162,603
August	a	117	10,069.3	\$1,178,108
September	a	118	8,965.4	\$1,057,912
October	a	118	7,217.6	\$851,672
November	a	119	8,203.8	\$976,257
December	a	119	9,190.8	\$1,093,710
January	a	117	10,202.9	\$1,193,740
February	a	117	7,154.1	\$837,034
March	a	117	8,534.6	\$998,552
April	a	117	9,241.3	\$1,081,228
May	a	117	7,845.2	\$917,885
June	a	116	<u>7,384.3</u>	<u>\$856,576</u>
Total			103,946.1	\$12,205,277

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
TGST				
July	a	37	6,036.4	\$223,347
August	a	36	7,436.8	\$267,725
September	a	36	8,385.0	\$301,862
October	a	36	6,716.5	\$241,795
November	a	36	6,217.4	\$223,828
December	a	36	3,103.7	\$111,735
January	a	37	7,067.0	\$261,479
February	a	37	7,162.5	\$265,014
March	a	37	6,674.4	\$246,951
April	a	37	7,236.2	\$267,739
May	a	37	6,347.3	\$234,851
June	a	36	<u>6,619.2</u>	<u>\$238,290</u>
Total			79,002.5	\$2,884,615

<u>Customer Class</u>	<u>Actual/ Estimate</u>	<u>Number of Customers</u>	<u>Baseline Revenue / Cust.</u>	<u>Variable Revenue</u>
TGS				
July	a	16	3,244.7	\$51,915
August	a	16	6,657.4	\$106,519
September	a	16	6,165.7	\$98,651
October	a	16	5,197.7	\$83,162
November	a	15	6,269.8	\$94,046
December	a	15	5,746.4	\$86,195
January	a	15	6,053.2	\$90,798
February	a	15	6,182.0	\$92,730
March	a	15	6,790.3	\$101,855
April	a	15	5,436.9	\$81,553
May	a	15	4,867.3	\$73,010
June	a	15	<u>5,263.4</u>	<u>\$78,951</u>
Total			67,874.8	\$1,039,387

Exhibit A
Schedule 10
Public

**ATLANTIC CITY ELECTRIC COMPANY
 CONSERVATION INCENTIVE PROGRAM
 EARNINGS TEST
 PUBLIC
 JULY 1, 2022 THROUGH JUNE 30, 2023
 (Based on Actual and Estimated Data)**

(In millions)

Period (1)	A	B	C=A/B	D	E=C*D Estimated Distribution Equity
	Electric Distribution Net Plant (2)	Total Net Plant	% of Total Net Plant	Total Equity	
Q2-2022					
Q3-2022					
Q4-2022					
Q1-2023					
Q2-2023 (1)					
Average					

Electric Distribution Net Income (7/1/2022 - 6/30/2023) (3) [REDACTED]

Calculated Return on Equity [REDACTED]

Allowed ROE (4)

ROE Limit buffer

Maximum ROE

Pass/Fail

(1)All information is based on published financial information except for Q2-2023, which is an estimate for Plant and Equity based on the March 2023 financial results, and Net Income which is estimated using the most recent forecast information available and will be updated when actual results are published.

(2) Electric Distribution Net Plant includes Intangible and General Plant amounts which have been allocated consistent with the Jurisdictional Cost of Service ("JCOS") allocation process to Electric Distribution.

(3) Distribution specific Net Income has been estimated by allocating total Net income from July 1, 2022 through June 30, 2023 using the Electric Distribution % of Total Net Plant in column C.

(4) Allowed ROE is as approved in the ACE Base Rate Case (BPU Docket No. ER20120746)

Exhibit B

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

**IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY
FOR IMPLEMENTATION OF AN ADJUSTMENT TO ITS CONSERVATION
INCENTIVE PROGRAM RATE MECHANISM AND ASSOCIATED CUSTOMER
CLASS RATES (2023)**

BPU Docket No. ER23070479

PLEASE TAKE NOTICE that, on July XX, 2023, Atlantic City Electric Company (“ACE” or “Company”), a New Jersey public utility, filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking authorization to implement adjustments to its Conservation Incentive Program (“CIP”) rate mechanism (“CIP Recovery Charge” or “Rider CIP”) based upon actual results for the program year July 1, 2022 through June 30, 2023 (“Petition”). ACE has requested that the Board permit the proposed rate adjustments to become effective for electric service rendered on and after October 1, 2023.

On April 27, 2021, in BPU Docket No. EO20090621, the Board adopted a stipulation of settlement authorizing ACE to implement its energy efficiency (“EE”) programs (the “ACE EE Order”). The ACE EE Order approved a portfolio of EE programs with a budget of \$96,065,276 for the three-year term beginning July 1, 2021 and ending June 30, 2024 (the “EE Program”). In addition to the EE Program, the Board approved the Company’s implementation of a cost recovery mechanism, the EE Surcharge, which was included as a component of ACE’s Rider Regional Greenhouse Gas Initiative.

The Company also received the Board’s approval of a modified electric CIP calculation methodology to recover a portion of the Company’s revenues that might be lost due to the successful implementation of the EE Program and the related decrease in energy usage and energy sales. The Company was authorized to implement the CIP Recovery Charge (also known as Rider CIP). The ACE EE Order contemplates that the CIP Recovery Charge shall be adjusted annually and that any variances from the annual filings shall be trued-up in the subsequent year.

The CIP applies to the following ACE Rate Schedules: Residential Service (“RS”), Monthly General Service-Secondary (“MGS-S”), MGS-Primary (“MGS-P”), Annual General Service-Secondary (“AGS-S”), AGS Primary (“AGS-P”), Transmission General Service (“TGS”) Sub-Transmission, and TGS Transmission. The CIP is not applicable to Rate Schedules Direct Distribution Connection (DDC), Street and Private Lighting (SPL), and Contributed Street Lighting (CSL). The CIP Recovery Charge provides a rate adjustment related to changes in the average revenue per customer when compared to a baseline revenue per customer. The CIP margin deficiency to be collected from customers – or the margin excess to be refunded to customers – is calculated each month by applicable rate schedule by subtracting the baseline revenue per customer from the actual revenue per customer and multiplying the resulting revenue per customer by the actual number of customers for the month. ACE’s ability to recover an adjustment to its CIP is subject to the Company passing an earnings test and is subject to limitations based on offsetting savings achieved by the Company in the costs of Basic Generation Service (“BGS”).

As outlined in the Petition, ACE proposes to refund a net CIP amount of \$5,318,121 to customers within eligible rate classes, which includes a margin excess of \$7,007,377 carryforward from CIP Year 1. This represents \$20,798,191 of refunds owed to customers in the MGS-S, MGS-P, AGS-S, AGS-P, TGS Sub-Transmission, and TGS rate classes, partially offset by \$15,480,070 of margin recovery for the RS Transmission customer classes.

If the Board approves this request, ACE estimates that a typical residential customer using BGS with usage of 680 kilowatt hours (“kWh”) per month will see a bill *increase* of \$3.11 or 2.11 percent, from \$147.17 to \$150.28 as a result of this filing.

The complete bill impact analysis for all Rate Schedules, and its underlying assumptions, are outlined in the Petition. The exact amount that your bill will decrease depends upon the amount of electricity you use. A summary of the proposed rate changes is included with this Notice to help customers assess the impact of the proposed new rates on their monthly bills. The summary assumes that customers receive their electric supply from the Company and not from a third-party supplier.

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

Rate Class	Current Monthly CIP Rates with Sales & Use Tax (“SUT”)	Proposed Monthly CIP Rates with SUT	
RS	(\$0.000354)	\$0.004224	Per kilowatt-hour
MGSS	(\$0.008526)	(\$0.013181)	Per kilowatt-hour
MGSP	(\$0.032302)	(\$0.025754)	Per kilowatt-hour
AGSS	\$0.04	(\$0.19)	Per-kilowatt of monthly peak demand
AGSP	(\$0.13)	(\$0.37)	Per-kilowatt of monthly peak demand
TGST	(\$0.17)	(\$0.29)	Per-kilowatt of monthly peak demand
TGS	\$0.05	(\$0.19)	Per-kilowatt of monthly peak demand

The chart below provides information as to the percentage rate change for all customer rates included on a customer's monthly invoice by customer class:

Rate Schedule	Percent Change by Customer Class
Residential	2.08%
Monthly General Service Secondary	(2.40%)
Monthly General Service Primary	4.92%
Annual General Service Secondary	(0.43%)
Annual General Service Primary	(0.43%)
Transmission General Service – Sub-transmission	(0.16%)
Transmission General Service – Transmission	(0.33%)
Street and Private Lighting/ Contributed Street Lighting	0.00%
Direct Distribution Connection	0.00%

The impacts noted above are based upon a comparison with current rates as of July 1, 2023. 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 rates set out above may increase or decrease based upon the Board's decision.

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 been posted on ACE's website at www.atlanticcityelectric.com/PublicPostings and has also been sent to the New Jersey Division of Rate Counsel ("Rate Counsel"), who will represent the interests of all ACE customers in this proceeding. The Petition is also available to review online through the Board's website, <https://publicaccess.bpu.state.nj.us>, where you can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board located at 44 South Clinton Avenue, 1st Floor, Trenton, New Jersey, with an appointment. To make an appointment, call (609) 913-6298.

PLEASE TAKE FURTHER NOTICE that virtual public hearings are scheduled for the following dates and times so that members of the public may present their views on the Company's Petition:

Date: XXXXXXXX, 2023	Date: XXXXXXXX, 2023
Time: 4:30 P.M.	Time: 5:30 P.M.
VIRTUAL WEBINAR To join the meeting directly, enter https://tinyurl.com/ To join through a prompt for VTC conference ID, enter exelon@m.webex.com and then the VTC conference ID XXXXXXXXXXXX followed by #	VIRTUAL WEBINAR To join meeting directly, enter https://tinyurl.com/ To join through a prompt for VTC conference ID, enter exelon@m.webex.com and then the VTC conference ID XXXXXXXXXXXX followed by #

Dial-In Number: 1-443-529-0267	Dial-In Number: 1-443-529-0267
Phone Conference ID: XXXXXXXXXX#	Phone Conference ID: XXXXXXXXXX#

Representatives from the Company, Rate Counsel, and the Board's Staff will participate in the virtual public hearings. Members of the public may participate by utilizing the link or Dial-In number set forth above, to express their views regarding the filing. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written comments. Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's [Public Document Search tool](#). Comments are public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3.

Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

Secretary of the Board
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350
Email: board.secretary@bpu.nj.gov

All emailed or mailed comments should include the name of the Petition and the Docket Number.

Dated: _____, 2023

ATLANTIC CITY ELECTRIC COMPANY

ATLANTIC CITY ELECTRIC COMPANY

**BEFORE THE NEW JERSEY
BOARD OF PUBLIC UTILITIES
DIRECT TESTIMONY OF SHENGRONG CHEN
BPU DOCKET NO. ER23070479**

1 **Q1. Please state your name and position.**

2 A1. My name is Shengrong Chen. I am the Manager of Rate Administration for Atlantic
3 City Electric Company (“ACE” or the “Company”) in the Regulatory Affairs Department
4 of Pepco Holdings, LLC (“PHI”). I am providing this Direct Testimony on behalf of ACE.

5 **Q2. What are your responsibilities in your role as Manager of Rate Administration?**

6 A2. I am primarily responsible for the development of electric rates, including tariff
7 surcharges, for ACE. I also participate in the development of ACE’s policies and practices
8 with respect to rate design and assist with regulatory compliance matters, including tariff
9 administration and periodic filings.

10 **Q3. Could you please describe your educational and professional background and
11 experience?**

12 A3. In 2008, I joined PHI’s Regulatory Affairs department as an Analyst on the Rates
13 and Technical Service team. I held various positions within regulatory finance, revenue
14 requirement for distribution and transmission. In 2023, I was promoted to my current
15 position as the Manager of Rate Administration for ACE.

16 I received a Bachelor of Science Degree in Chemistry from Dalian University of
17 Technology. I also received a Masters degree in Accounting from the University of
18 Delaware and a Masters degree in Chemistry from Clemson University.

1 **Q4. What is the purpose of your Direct Testimony?**

2 A4. The purpose of my Direct Testimony is to provide:

- 3 • an overview of the Conservation Incentive Program mechanism (“CIP”),
4 including the monthly baseline revenue per customer for each applicable CIP
5 customer rate class;
- 6 • an overview of ACE’s Year 2 CIP deferral balance and the calculation of CIP
7 rates for each customer rate class included in the CIP;
- 8 • an overview of ACE’s Year 1 CIP carryforward balance, including over/under
9 recovery for each customer rate class included in the CIP;
- 10 • the calculation of the weather impacts for the current proceeding of July 1,
11 2022 – June 30, 2023 (the “CIP Period”);
- 12 • the calculation of the Basic Generation Service (“BGS”) Savings Test;
- 13 • the calculation of the CIP Variable Margin Savings Test; and
- 14 • the calculation of the Earnings Test.

15 **Q5. Please summarize the schedules you are supporting in the proceeding and those
16 presented within your testimony.**

17 A5. Supporting schedules within the proceeding are as follows:

- 18 • Exhibit A – Schedules 1 through 10

19 The schedules presented within my testimony are organized as follows:

- 20 • Schedule (SC)-1 – Rate Calculations Summary;
- 21 • Schedule (SC)-2 – Bill Impacts; and
- 22 • Schedule (SC)-3 – Tariffs.

23 **Q6. What is the CIP mechanism?**

24 A6. The CIP mechanism was approved by the New Jersey Board of Public Utilities (the
25 “Board” or “BPU”) in the Energy and Clean Energy matter on April 27, 2021, in BPU
26 Docket Nos. QO19010040 and EO20090621 (the “EE Order”) and is explained in ACE’s

1 “Conservation Incentive Program Recovery Charge”/“Rider CIP” tariff. The CIP rate
2 mechanism provides a rate adjustment related to changes in the average revenue per
3 customer when compared to a baseline revenue per customer, removing the disincentive
4 for the Company to encourage customers to conserve energy. The CIP margin deficiency
5 to be collected from customers or the margin excess to be refunded to customers is
6 calculated each month by applicable rate schedule by subtracting the baseline revenue per
7 customer from the actual revenue per customer and multiplying the resulting revenue per
8 customer by the actual number of customers for the month.

9 **Q7. What rate schedules are subject to the CIP mechanism?**

10 A7. The CIP applies to rate schedules Residential Service (“RS”), Monthly General
11 Service Secondary (“MGSS”), Monthly General Service Primary (“MGSP”), Annual
12 General Service Secondary (“AGSS”), Annual General Service Primary (“AGSP”),
13 Transmission General Service – Sub Transmission (“TGST”), and Transmission General
14 Service (“TGS”). The CIP is not applicable for rate schedules Direct Distribution
15 Connection (“DDC”), Street and Private Lighting (“SPL”), and Contributed Street Lighting
16 (“CSL”).

17 **Q8. How is the baseline revenue per customer determined?**

18 A8. As described in the EE Order, the electric baseline revenue per customer is based
19 on the billing determinants from ACE’s 2020 base rate case and the latest variable margin
20 rates per rate schedule, including any Infrastructure Investment Program (“IIP”) and
21 PowerAhead (“PA”) rate adjustments. The baseline billing determinants and margin rates
22 will be updated with each subsequent base rate case. The most recent variable margin
23 revenue for this filing is based on the IIP filings approved on March 23, 2022, in BPU

1 Docket No. ER21111206, with rates effective April 1, 2022, and PA Roll-in 7 in BPU
2 Docket No. ER22050323, with rates effective October 1, 2022. The baseline revenue per
3 customer for each rate class can be found in **Exhibit A** to the Petition in Schedules 1
4 through 7.

5 **Q9. How is the actual revenue per customer determined?**

6 A9. The actual revenue per customer is the variable margin per applicable rate schedule
7 for the month divided by the number of customers for the month. For the rate schedule
8 RS, this is the margin from the volumetric kWh charge. For rate schedule MGSS and
9 MGSP, this is the margin from the volumetric kWh charge and the winter and summer
10 demand. For rate schedules AGSS, AGSP, TGST, and TGS, the variable margin is from
11 the winter and summer demand.

12 **Q10. What is the current CIP Margin Excess or Deficiency for this proceeding?**

13 A10. The Company's total for the CIP Year 2 is a margin deficiency of \$1,689,255,
14 representing \$7,832,777 of non-weather-related electric distribution margin excess and
15 \$9,522,033 of weather-related electric distribution margin deficiency. The CIP Year 1
16 carryforward balance including over/under recovery is a margin excess of \$7,007,377.
17 The Company's total for the CIP Year 2 and Year 1 is a margin excess of \$5,318,121
18 owed to customers.

19 **Q11. Where are the calculations for the total CIP Margin Excess for this proceeding?**

20 A11. The calculations for the CIP for the July 1, 2022 through June 30, 2023 program
21 year can be found in **Exhibit A** of the Petition, Schedules 1 through 7, and are based on
22 actual data. These schedules are the same templates that were included in Attachment 5
23 of the stipulation of settlement approved by the Board in the EE Order.

1 **Q12. Are there any limitations on the amount of Margin Excess or Deficiency that can be**
2 **collected from or paid to customers through the CIP?**

3 A12. Yes. There are three tests that are part of the CIP that are described below. The
4 tests that apply to CIP Year 2 are:

- 5 1. the Earnings Test;
6 2. the BGS Savings Test; and
7 3. the Variable Margin Test.

8 **Q13. Please describe the Earnings Test.**

9 A13. The Earnings Test ensures that ACE will not over-earn on the CIP mechanism. It
10 is applicable to the total CIP deferral, including weather and non-weather components. If
11 the calculated Return on Equity (“ROE”) from the Earnings Test exceeds the allowed ROE
12 from the Company’s last base rate case by 50 basis point or more, recovery of lost revenues
13 through the CIP will not be allowed for the filing period and cannot be carried over to
14 subsequent filing periods.

15 **Q14. How is the ROE calculated?**

16 A14. The Earnings Test determines actual ROE based on the actual net income of the
17 utility for the most recent 12-month period divided by the average of the beginning and
18 ending common equity balances for the corresponding period. As further defined in the
19 Company’s tariff, ACE’s rate of return on common equity is calculated by dividing the
20 Company’s net income by the 13-Month Average Common Equity Balance. ACE’s
21 Average 13-Month Common Equity Balance is the ratio of Electric Distribution Net Plant
22 (including the Electric Distribution allocation of Common Plant) divided by the total

1 Company Net Plant for the Average 13 Month Common Equity Balance period multiplied
2 by the Company's total common equity for the same period.

3 **Q15. What time period is utilized for the Earnings Test?**

4 A15. The Earnings Test for this filing is based on the latest publicly available financial
5 information as of March 2023 and forecasted data for the period April 2023 through June
6 2023. The forecasted data will be updated with actuals once the financial statements for
7 the Second Quarter of 2023 are publicly available. Since computation of the Earnings Test
8 requires the inclusion of forecasted earnings information, certain data will be deemed
9 confidential and redacted subject to execution of a non-disclosure agreement by the parties.

10 **Q16. What are the results of the Earnings Test?**

11 A16. Please see Schedule 10 provided as part of this Petition for the results of the
12 Earnings Test. ACE's calculated ROE for CIP Year 2 is below the allowed ROE approved
13 from ACE's 2020 base rate case plus 50 basis points. Thus, there is no limitation for ACE
14 to recover lost revenues for CIP Year 2.

15 **Q17. Please describe the BGS Savings Test.**

16 A17. Recovery of margin deficiency of CIP associated with non-weather-related changes
17 in customer usage will be subject to BGS Savings Test. The BGS Savings Test recognizes
18 opportunities to reduce peak demand and lower commodity costs through reductions in
19 customer usage. As a result, recovery through the CIP Tariff is limited to the level of BGS
20 savings achieved when these savings are less than 75% of the total non-weather-related
21 CIP margin, i.e., BGS Savings Test. Any recovery amount that exceeds the above
22 limitation may be deferred for future recovery and is subject to a recovery test in a future

1 year consistent with the amount by which the non-weather-related electric distribution
2 margin deficiency exceeded the recovery test.

3 **Q18. How is the BGS Savings Test calculated?**

4 A18. There are three components to this test to determine the overall capacity savings:

5 1) Component One includes the Company's permanent capacity savings realized from the
6 reduction in PJM Final Zone Unforced Capacity ("UCAP") Obligation from the
7 2010/2011 Energy Year compared to the 2019/2020 Energy Year multiplied by the
8 2019/2020 PS Zonal Net Load Price. The permanent BGS savings are \$9.17 million.

9 These amounts will remain unchanged after the re-setting of the CIP benchmarks in
10 future base rate cases.

11 2) Component Two includes additional capacity BGS savings from ongoing reductions of
12 the Company's PJM Final Zonal UCAP Obligation. This component of savings is
13 calculated as any annual incremental UCAP Obligation savings after the 2019/2020
14 Energy Year. Any annual incremental UCAP Obligation savings will be multiplied by
15 the most recent PS Zonal Net Load Price. Due to the potential for UCAP increases
16 related to electric vehicles and electrification, savings are set as a minimum of the
17 incremental obligation savings or zero. There are no additional capacity BGS savings
18 for this CIP filing.

19 3) Component Three is the Company's savings associated with avoided capacity costs to
20 meet customer growth on a prospective basis beginning with the first annual CIP filing
21 following implementation of these terms. Avoided capacity costs are calculated
22 monthly and are equal to the net change in customers for CIP multiplied by the

1 corresponding obligation per customer and the current PS Zonal Net Load Price per
2 month. The avoided capacity costs are (\$259,618) for this CIP filing.

3 The total of each of these three components is \$8,918,053 and determines the
4 threshold for the BGS Savings Test. The BGS Savings Test calculations can be found in
5 **Exhibit A** to the Petition in Schedule 9.

6 **Q19. How is the non-weather CIP margin calculated?**

7 A19. The non-weather CIP margin is calculated as the total CIP margin less the weather-
8 related margin. The weather-related margin is calculated as part of the weather
9 normalization calculation and is described in more detail below.

10 **Q20. How is the weather and the weather-related margin calculated?**

11 A20. The weather is measured by the impacts on sales and associated distribution
12 revenue of heating degree days (“HDD”) for winter weather and cooling degree days
13 (“CDD”) for summer weather. The average of the 20-year data for HDD and CDD is
14 considered normal. The difference in actual and normal HDD and CDD is multiplied by
15 weather normalization factors to establish each rate schedules sales impacts. The sales
16 impacts are then multiplied by the current tariff rates to calculate the revenue impact for
17 rate schedules with volumetric tariff rates and use imputed volumetric rates for rate
18 schedules with only a distribution demand rate. This calculation is referred to as weather
19 normalization. The weather normalization calculation can be found in **Exhibit A** to the
20 Petition in Schedule 8.

21 **Q21. What are the results of the BGS Savings Test?**

1 A21. Please see **Exhibit A** to the Petition, Schedule 9, for the results of the BGS Savings
2 Test. Since the total Non-Weather CIP amount for Year 2 is a refund owed to customers,
3 the BGS Savings Test did not result in any limitation on the Company's CIP.

4 **Q22. Please describe the Variable Margin Test.**

5 A22. The Variable Margin Test is a recovery limitation equal to 6.5% of total non-
6 weather CIP margin. The intention is to limit the impact to customer bills for any given
7 recovery period. The Variable Margin Test is calculated as the actual number of customers
8 multiplied by the baseline revenue per customer, which is then multiplied by the 6.5%
9 margin cap to determine the amount of allowed recoverable margin. Based on actual
10 results from July 1, 2022 through June 30, 2023, the total variable margin revenue is
11 \$435,639,464 which results in a variable margin limitation of \$28,316,565 after applying
12 6.5% rate cap. The current Non-Weather CIP is in a refund position in the amount of
13 \$7,832,777. Therefore, the test is not applicable. The detailed calculation of the Variable
14 Margin Test can be found in **Exhibit A** to the Petition, Schedule 9, which is the same
15 template included in Attachment 5 of the stipulation of settlement approved by the Board
16 in the EE Order.

17 **Q23. What is the net CIP balance to be refunded to customers over the upcoming CIP
18 period?**

19 A23. As shown in Schedule (SC)-1, the net CIP Year 2 amount(s) is \$1,689,255, which
20 represents \$16,349,966 of margin deficiency for the residential customer classes, partially
21 offset by \$14,660,711 of refunds owed to customers in the MGSS, MGSP, AGSS, AGSP,
22 TGST, and TGS customer classes. The carryforward balance for CIP Year 1 is in the

1 amount of margin excess \$7,007,377. The total net CIP balance of Year 2 and Year 1 to
2 be refunded to customers over the upcoming CIP period is \$5,318,121.

3 **Q24. What are the proposed CIP rates?**

4 A24. The CIP rates calculated in Schedule (SC)-1 are summarized below:

	CIP Rates Without SUT	CIP Rates with SUT	
Residential	\$0.003961	\$0.004224	Per kilowatt-hour
MGSS	(\$0.012362)	(\$0.013181)	Per kilowatt-hour
MGSP	(\$0.024153)	(\$0.025754)	Per kilowatt-hour
AGSS	(\$0.18)	(\$0.19)	Per-kilowatt of monthly peak demand
AGSP	(\$0.35)	(\$0.37)	Per-kilowatt of monthly peak demand
TGST	(\$0.28)	(\$0.29)	Per-kilowatt of monthly peak demand
TGS	(\$0.18)	(\$0.19)	Per-kilowatt of monthly peak demand

5
6 **Q25. What is the bill impact of the CIP filing on a Residential customer?**
7 A25. The Company estimates that a typical Residential customer using 680 kWh would
8 see a bill increase of \$3.11 or 2.11%, from \$147.17 to \$150.28 from the CIP filing. The
9 complete bill analysis for all Rate Schedules and its underlying assumptions are set forth
10 in Schedule (SC)-2.

11 **TARIFF**

12 **Q26. Are you proposing any tariff changes?**

13 A26. Yes, the tariff sheets showing the proposed terms, conditions, and rates applicable
14 to the CIP Program, Rider “CIP” are set forth in Schedule (SC)-3.

15 **Q27. Does this conclude your testimony?**

16 A27. Yes, it does.

Schedule (SC)-1

ACE CIP Rates by Rate Class
July 2022 - June 2023

Line No.	<u>Initial CIP Deferral</u>	Residential	MGSS	MGSP	AGSS	AGSP	TGST	TGS	Total	Reference
1	CIP Carry-Forward	\$ (869,896)	\$ (5,785,147)	\$ (282,990)	\$ 119,404	\$ (80,758)	\$ (142,646)	\$ 34,656	\$ (7,007,377)	
2	CIP Weather	\$ 7,773,664	\$ 1,069,911	\$ 15,739	\$ 605,053	\$ 37,240	\$ 16,575	\$ 3,850	\$ 9,522,033	
3	CIP Non-Weather	\$ 8,576,302	\$ (11,611,717)	\$ (2,469,937)	\$ (1,535,806)	\$ (389,048)	\$ (168,443)	\$ (234,128)	\$ (7,832,777)	
4	Total CIP Deferral	\$ 15,480,070	\$ (16,326,953)	\$ (2,737,188)	\$ (811,349)	\$ (432,566)	\$ (294,514)	\$ (195,622)	\$ (5,318,121)	
5	CIP Collection	\$ 15,480,070	\$ 100%	- \$ 0%	- \$ 0%	- \$ 0%	- \$ 0%	- \$ 0%	\$ 15,480,070	(5) = IF (4) < 0, 0, (4)
6	CIP Collection %								100%	
7	CIP Savings Test Recoverable Amount > 0								\$ -	
8	CIP Refunds								\$ (20,798,191)	
9	CIP Maximum Recoverable Amount								\$ 20,798,191	(9) = (7) - (8)
10	CIP (Refund) / Charge	\$ 15,480,070	\$ (16,326,953)	\$ (2,737,188)	\$ (811,349)	\$ (432,566)	\$ (294,514)	\$ (195,622)	\$ (5,318,121)	(10) = (IF (7) = 0, (4), (IF (4) < 0, 4), ((4) * (6)))
11	CIP Carry Forward	\$ (869,896)	\$ (5,785,147)	\$ (282,990)	\$ 119,404	\$ (80,758)	\$ (142,646)	\$ 34,656	\$ (7,007,377)	(11) = (10) - (4)
Line No.	<u>Final CIP Rate</u>	Residential	MGSS	MGSP	AGSS	AGSP	TGST	TGS	Total	
12	CIP Carry-Forward	\$ (869,896)	\$ (5,785,147)	\$ (282,990)	\$ 119,404	\$ (80,758)	\$ (142,646)	\$ 34,656	\$ (7,007,377)	Line No. 1
13	CIP Weather	\$ 7,773,664	\$ 1,069,911	\$ 15,739	\$ 605,053	\$ 37,240	\$ 16,575	\$ 3,850	\$ 9,522,033	Line No. 2
14	CIP Non-Weather	\$ 8,576,302	\$ (11,611,717)	\$ (2,469,937)	\$ (1,535,806)	\$ (389,048)	\$ (168,443)	\$ (234,128)	\$ (7,832,777)	Line No. 3
15	Total CIP Deferral	\$ 15,480,070	\$ (16,326,953)	\$ (2,737,188)	\$ (811,349)	\$ (432,566)	\$ (294,514)	\$ (195,622)	\$ (5,318,121)	Line No. 15 = (12) + (13) + (14)
16	CIP Non-Weather Savings/(Refund) Cap								\$ (7,832,777)	
17	CIP Allocation of Non-Weather Savings Cap	-109%	148%	32%	20%	5%	2%	3%	100%	Schedule 9 - Savings Test, Page 2
18	CIP Non-Weather Allocation	\$ 8,576,302	\$ (11,611,717)	\$ (2,469,937)	\$ (1,535,806)	\$ (389,048)	\$ (168,443)	\$ (234,128)	\$ (7,832,777)	Line No. 17 = Line No 3 / Total Line No. 3
19	CIP Weather	\$ 7,773,664	\$ 1,069,911	\$ 15,739	\$ 605,053	\$ 37,240	\$ 16,575	\$ 3,850	\$ 9,522,033	Line No. 18 = (16) * (17)
20	CIP (Refund) / Charge	\$ 16,349,966	\$ (10,541,806)	\$ (2,454,198)	\$ (930,753)	\$ (351,808)	\$ (151,868)	\$ (230,278)	\$ 1,689,255	Line No. 20 = (18) + (19)
21	CIP Carry Forward	\$ (869,896)	\$ (5,785,147)	\$ (282,990)	\$ 119,404	\$ (80,758)	\$ (142,646)	\$ 34,656	\$ (7,007,377)	Line No. 21 = (15) - (20)
22	Projected Use (kWh)*	3,917,967.931	1,324,226.491	113,623,073		4,585,327	1,253,855	1,069,351	1,103,635	
23	Projected Use (kW)*									
Line No.	Residential	MGSS	MGSP	AGSS	AGSP	TGST	TGS			
24	CIP Rate	\$ 0.003951	\$ (0.012329)	\$ (0.024090)	\$ (0.18)	\$ (0.34)	\$ (0.28)	\$ (0.18)		Line No. 23 = (20) / (22) * 1000
25	CIP Rate w/ Assessment	\$ 0.003961	\$ (0.012362)	\$ (0.024153)	\$ (0.18)	\$ (0.35)	\$ (0.28)	\$ (0.18)		Line No. 25 = (24) * (1 / (1 + 0.00263))
26	CIP Rate w/ SUT	\$ 0.004224	\$ (0.013181)	\$ (0.025754)	\$ (0.19)	\$ (0.37)	\$ (0.29)	\$ (0.19)		Line No. 26 = (25) * 1.06625

*kWh (Residential, MGSS, & MGSP) and kW (AGSS, AGSP, TGST, & TGS)

Schedule (SC)-2

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
8 WINTER MONTHS (October Through May)

Schedule (SC)-2
Page 1 of 15

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference Delivery (\$)	Difference Supply+T (\$)	Total Difference (\$)	Total Difference (%)
0	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	0.00%
25	\$ 8.54	\$ 2.88	\$ 11.42	\$ 8.54	\$ 2.99	\$ 11.53	\$ -	\$ 0.11	\$ 0.11	0.96%
50	\$ 10.84	\$ 5.75	\$ 16.59	\$ 10.84	\$ 5.98	\$ 16.82	\$ -	\$ 0.23	\$ 0.23	1.39%
75	\$ 13.13	\$ 8.63	\$ 21.76	\$ 13.13	\$ 8.97	\$ 22.10	\$ -	\$ 0.34	\$ 0.34	1.56%
100	\$ 15.42	\$ 11.50	\$ 26.92	\$ 15.42	\$ 11.96	\$ 27.38	\$ -	\$ 0.46	\$ 0.46	1.71%
150	\$ 20.01	\$ 17.25	\$ 37.26	\$ 20.01	\$ 17.94	\$ 37.95	\$ -	\$ 0.69	\$ 0.69	1.85%
200	\$ 24.60	\$ 23.00	\$ 47.60	\$ 24.60	\$ 23.92	\$ 48.52	\$ -	\$ 0.92	\$ 0.92	1.93%
250	\$ 29.18	\$ 28.76	\$ 57.94	\$ 29.18	\$ 29.90	\$ 59.08	\$ -	\$ 1.14	\$ 1.14	1.97%
300	\$ 33.77	\$ 34.51	\$ 68.28	\$ 33.77	\$ 35.88	\$ 69.65	\$ -	\$ 1.37	\$ 1.37	2.01%
350	\$ 38.35	\$ 40.26	\$ 78.61	\$ 38.35	\$ 41.86	\$ 80.21	\$ -	\$ 1.60	\$ 1.60	2.04%
400	\$ 42.94	\$ 46.01	\$ 88.95	\$ 42.94	\$ 47.84	\$ 90.78	\$ -	\$ 1.83	\$ 1.83	2.06%
450	\$ 47.53	\$ 51.76	\$ 99.29	\$ 47.53	\$ 53.82	\$ 101.35	\$ -	\$ 2.06	\$ 2.06	2.07%
500	\$ 52.11	\$ 57.51	\$ 109.62	\$ 52.11	\$ 59.80	\$ 111.91	\$ -	\$ 2.29	\$ 2.29	2.09%
600	\$ 61.29	\$ 69.01	\$ 130.30	\$ 61.29	\$ 71.76	\$ 133.05	\$ -	\$ 2.75	\$ 2.75	2.11%
650	\$ 65.87	\$ 74.76	\$ 140.63	\$ 65.87	\$ 77.74	\$ 143.61	\$ -	\$ 2.98	\$ 2.98	2.12%
680	\$ 68.62	\$ 78.21	\$ 146.83	\$ 68.62	\$ 81.33	\$ 149.95	\$ -	\$ 3.12	\$ 3.12	2.12%
700	\$ 70.46	\$ 80.52	\$ 150.98	\$ 70.46	\$ 83.72	\$ 154.18	\$ -	\$ 3.20	\$ 3.20	2.12%
750	\$ 75.05	\$ 86.27	\$ 161.32	\$ 75.05	\$ 89.70	\$ 164.75	\$ -	\$ 3.43	\$ 3.43	2.13%
800	\$ 79.63	\$ 92.02	\$ 171.65	\$ 79.63	\$ 95.68	\$ 175.31	\$ -	\$ 3.66	\$ 3.66	2.13%
900	\$ 88.80	\$ 103.52	\$ 192.32	\$ 88.80	\$ 107.64	\$ 196.44	\$ -	\$ 4.12	\$ 4.12	2.14%
1000	\$ 97.98	\$ 115.02	\$ 213.00	\$ 97.98	\$ 119.60	\$ 217.58	\$ -	\$ 4.58	\$ 4.58	2.15%
1200	\$ 116.32	\$ 138.03	\$ 254.35	\$ 116.32	\$ 143.52	\$ 259.84	\$ -	\$ 5.49	\$ 5.49	2.16%
1500	\$ 143.84	\$ 172.53	\$ 316.37	\$ 143.84	\$ 179.40	\$ 323.24	\$ -	\$ 6.87	\$ 6.87	2.17%
2000	\$ 189.70	\$ 230.04	\$ 419.74	\$ 189.70	\$ 239.20	\$ 428.90	\$ -	\$ 9.16	\$ 9.16	2.18%
2500	\$ 235.57	\$ 287.56	\$ 523.13	\$ 235.57	\$ 299.00	\$ 534.57	\$ -	\$ 11.44	\$ 11.44	2.19%
3000	\$ 281.43	\$ 345.07	\$ 626.50	\$ 281.43	\$ 358.80	\$ 640.23	\$ -	\$ 13.73	\$ 13.73	2.19%
3500	\$ 327.29	\$ 402.58	\$ 729.87	\$ 327.29	\$ 418.60	\$ 745.89	\$ -	\$ 16.02	\$ 16.02	2.19%
4000	\$ 373.16	\$ 460.09	\$ 833.25	\$ 373.16	\$ 478.40	\$ 851.56	\$ -	\$ 18.31	\$ 18.31	2.20%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
4 SUMMER MONTHS (June Through September)

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference			Total Difference (\$)	Total Difference (%)
							Delivery (\$)	Supply+T (\$)	Total (\$)		
0	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	\$ -	0.00%
25	\$ 8.71	\$ 2.75	\$ 11.46	\$ 8.71	\$ 2.86	\$ 11.57	\$ -	\$ 0.11	\$ 0.11	\$ 0.11	0.96%
50	\$ 11.16	\$ 5.50	\$ 16.66	\$ 11.16	\$ 5.73	\$ 16.89	\$ -	\$ 0.23	\$ 0.23	\$ 0.23	1.38%
75	\$ 13.62	\$ 8.24	\$ 21.86	\$ 13.62	\$ 8.59	\$ 22.21	\$ -	\$ 0.35	\$ 0.35	\$ 0.35	1.60%
100	\$ 16.08	\$ 10.99	\$ 27.07	\$ 16.08	\$ 11.45	\$ 27.53	\$ -	\$ 0.46	\$ 0.46	\$ 0.46	1.70%
150	\$ 20.99	\$ 16.49	\$ 37.48	\$ 20.99	\$ 17.18	\$ 38.17	\$ -	\$ 0.69	\$ 0.69	\$ 0.69	1.84%
200	\$ 25.91	\$ 21.99	\$ 47.90	\$ 25.91	\$ 22.90	\$ 48.81	\$ -	\$ 0.91	\$ 0.91	\$ 0.91	1.90%
250	\$ 30.82	\$ 27.48	\$ 58.30	\$ 30.82	\$ 28.63	\$ 59.45	\$ -	\$ 1.15	\$ 1.15	\$ 1.15	1.97%
300	\$ 35.73	\$ 32.98	\$ 68.71	\$ 35.73	\$ 34.35	\$ 70.08	\$ -	\$ 1.37	\$ 1.37	\$ 1.37	1.99%
350	\$ 40.65	\$ 38.47	\$ 79.12	\$ 40.65	\$ 40.08	\$ 80.73	\$ -	\$ 1.61	\$ 1.61	\$ 1.61	2.03%
400	\$ 45.56	\$ 43.97	\$ 89.53	\$ 45.56	\$ 45.80	\$ 91.36	\$ -	\$ 1.83	\$ 1.83	\$ 1.83	2.04%
450	\$ 50.48	\$ 49.47	\$ 99.95	\$ 50.48	\$ 51.53	\$ 102.01	\$ -	\$ 2.06	\$ 2.06	\$ 2.06	2.06%
500	\$ 55.39	\$ 54.96	\$ 110.35	\$ 55.39	\$ 57.25	\$ 112.64	\$ -	\$ 2.29	\$ 2.29	\$ 2.29	2.08%
600	\$ 65.22	\$ 65.96	\$ 131.18	\$ 65.22	\$ 68.70	\$ 133.92	\$ -	\$ 2.74	\$ 2.74	\$ 2.74	2.09%
650	\$ 70.13	\$ 71.45	\$ 141.58	\$ 70.13	\$ 74.43	\$ 144.56	\$ -	\$ 2.98	\$ 2.98	\$ 2.98	2.10%
680	\$ 73.08	\$ 74.75	\$ 147.83	\$ 73.08	\$ 77.86	\$ 150.94	\$ -	\$ 3.11	\$ 3.11	\$ 3.11	2.10%
700	\$ 75.05	\$ 76.95	\$ 152.00	\$ 75.05	\$ 80.15	\$ 155.20	\$ -	\$ 3.20	\$ 3.20	\$ 3.20	2.11%
750	\$ 79.96	\$ 82.45	\$ 162.41	\$ 79.96	\$ 85.88	\$ 165.84	\$ -	\$ 3.43	\$ 3.43	\$ 3.43	2.11%
800	\$ 85.51	\$ 88.43	\$ 173.94	\$ 85.51	\$ 92.09	\$ 177.60	\$ -	\$ 3.66	\$ 3.66	\$ 3.66	2.10%
900	\$ 96.60	\$ 100.40	\$ 197.00	\$ 96.60	\$ 104.52	\$ 201.12	\$ -	\$ 4.12	\$ 4.12	\$ 4.12	2.09%
1000	\$ 107.70	\$ 112.37	\$ 220.07	\$ 107.70	\$ 116.95	\$ 224.65	\$ -	\$ 4.58	\$ 4.58	\$ 4.58	2.08%
1200	\$ 129.89	\$ 136.31	\$ 266.20	\$ 129.89	\$ 141.80	\$ 271.69	\$ -	\$ 5.49	\$ 5.49	\$ 5.49	2.06%
1500	\$ 163.18	\$ 172.21	\$ 335.39	\$ 163.18	\$ 179.08	\$ 342.26	\$ -	\$ 6.87	\$ 6.87	\$ 6.87	2.05%
2000	\$ 218.66	\$ 232.06	\$ 450.72	\$ 218.66	\$ 241.22	\$ 459.88	\$ -	\$ 9.16	\$ 9.16	\$ 9.16	2.03%
2500	\$ 274.15	\$ 291.91	\$ 566.06	\$ 274.15	\$ 303.35	\$ 577.50	\$ -	\$ 11.44	\$ 11.44	\$ 11.44	2.02%
3000	\$ 329.63	\$ 351.75	\$ 681.38	\$ 329.63	\$ 365.48	\$ 695.11	\$ -	\$ 13.73	\$ 13.73	\$ 13.73	2.02%
3500	\$ 385.11	\$ 411.60	\$ 796.71	\$ 385.11	\$ 427.62	\$ 812.73	\$ -	\$ 16.02	\$ 16.02	\$ 16.02	2.01%
4000	\$ 440.59	\$ 471.44	\$ 912.03	\$ 440.59	\$ 489.75	\$ 930.34	\$ -	\$ 18.31	\$ 18.31	\$ 18.31	2.01%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
Annual Average

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery (\$)	Present Supply+T (\$)	Present Total (\$)	New Delivery (\$)	New Supply+T (\$)	New Total (\$)	Difference Delivery (\$)	Difference Supply+T (\$)	Total Difference (\$)	Total Difference (%)
0	\$ 6.25	\$ -	\$ 6.25	\$ 6.25	\$ -	\$ 6.25	\$ -	\$ -	\$ -	0.00%
25	\$ 8.60	\$ 2.84	\$ 11.44	\$ 8.60	\$ 2.95	\$ 11.55	\$ -	\$ 0.11	\$ 0.11	0.96%
50	\$ 10.95	\$ 5.67	\$ 16.62	\$ 10.95	\$ 5.90	\$ 16.85	\$ -	\$ 0.23	\$ 0.23	1.38%
75	\$ 13.29	\$ 8.50	\$ 21.79	\$ 13.29	\$ 8.84	\$ 22.13	\$ -	\$ 0.34	\$ 0.34	1.56%
100	\$ 15.64	\$ 11.33	\$ 26.97	\$ 15.64	\$ 11.79	\$ 27.43	\$ -	\$ 0.46	\$ 0.46	1.71%
150	\$ 20.34	\$ 17.00	\$ 37.34	\$ 20.34	\$ 17.69	\$ 38.03	\$ -	\$ 0.69	\$ 0.69	1.85%
200	\$ 25.04	\$ 22.66	\$ 47.70	\$ 25.04	\$ 23.58	\$ 48.62	\$ -	\$ 0.92	\$ 0.92	1.93%
250	\$ 29.73	\$ 28.33	\$ 58.06	\$ 29.73	\$ 29.48	\$ 59.21	\$ -	\$ 1.15	\$ 1.15	1.98%
300	\$ 34.42	\$ 34.00	\$ 68.42	\$ 34.42	\$ 35.37	\$ 69.79	\$ -	\$ 1.37	\$ 1.37	2.00%
350	\$ 39.12	\$ 39.66	\$ 78.78	\$ 39.12	\$ 41.27	\$ 80.39	\$ -	\$ 1.61	\$ 1.61	2.04%
400	\$ 43.81	\$ 45.33	\$ 89.14	\$ 43.81	\$ 47.16	\$ 90.97	\$ -	\$ 1.83	\$ 1.83	2.05%
450	\$ 48.51	\$ 51.00	\$ 99.51	\$ 48.51	\$ 53.06	\$ 101.57	\$ -	\$ 2.06	\$ 2.06	2.07%
500	\$ 53.20	\$ 56.66	\$ 109.86	\$ 53.20	\$ 58.95	\$ 112.15	\$ -	\$ 2.29	\$ 2.29	2.08%
600	\$ 62.60	\$ 67.99	\$ 130.59	\$ 62.60	\$ 70.74	\$ 133.34	\$ -	\$ 2.75	\$ 2.75	2.11%
650	\$ 67.29	\$ 73.66	\$ 140.95	\$ 67.29	\$ 76.64	\$ 143.93	\$ -	\$ 2.98	\$ 2.98	2.11%
680	\$ 70.11	\$ 77.06	\$ 147.17	\$ 70.11	\$ 80.17	\$ 150.28	\$ -	\$ 3.11	\$ 3.11	2.11%
700	\$ 71.99	\$ 79.33	\$ 151.32	\$ 71.99	\$ 82.53	\$ 154.52	\$ -	\$ 3.20	\$ 3.20	2.11%
750	\$ 76.69	\$ 85.00	\$ 161.69	\$ 76.69	\$ 88.43	\$ 165.12	\$ -	\$ 3.43	\$ 3.43	2.12%
800	\$ 81.59	\$ 90.82	\$ 172.41	\$ 81.59	\$ 94.48	\$ 176.07	\$ -	\$ 3.66	\$ 3.66	2.12%
900	\$ 91.40	\$ 102.48	\$ 193.88	\$ 91.40	\$ 106.60	\$ 198.00	\$ -	\$ 4.12	\$ 4.12	2.13%
1000	\$ 101.22	\$ 114.14	\$ 215.36	\$ 101.22	\$ 118.72	\$ 219.94	\$ -	\$ 4.58	\$ 4.58	2.13%
1200	\$ 120.84	\$ 137.46	\$ 258.30	\$ 120.84	\$ 142.95	\$ 263.79	\$ -	\$ 5.49	\$ 5.49	2.13%
1500	\$ 150.29	\$ 172.42	\$ 322.71	\$ 150.29	\$ 179.29	\$ 329.58	\$ -	\$ 6.87	\$ 6.87	2.13%
2000	\$ 199.35	\$ 230.71	\$ 430.06	\$ 199.35	\$ 239.87	\$ 439.22	\$ -	\$ 9.16	\$ 9.16	2.13%
2500	\$ 248.43	\$ 289.01	\$ 537.44	\$ 248.43	\$ 300.45	\$ 548.88	\$ -	\$ 11.44	\$ 11.44	2.13%
3000	\$ 297.50	\$ 347.30	\$ 644.80	\$ 297.50	\$ 361.03	\$ 658.53	\$ -	\$ 13.73	\$ 13.73	2.13%
3500	\$ 346.56	\$ 405.59	\$ 752.15	\$ 346.56	\$ 421.61	\$ 768.17	\$ -	\$ 16.02	\$ 16.02	2.13%
4000	\$ 395.64	\$ 463.87	\$ 859.51	\$ 395.64	\$ 482.18	\$ 877.82	\$ -	\$ 18.31	\$ 18.31	2.13%

Schedule (SC)-3

Clean

RIDER CIP
CONSERVATION INCENTIVE PROGRAM RECOVERY CHARGE

APPLICABILITY:

This rider is applicable to Rate Schedules RS, MGS Secondary, MGS Primary, AGS Secondary, AGS Primary, and TGS and TGS Sub Transmission. The Company's CIP shall be based on the differences between actual and allowedrevenue per customer during the preceding annual period. This adjustment will be effectuated through a credit or surcharge applied to customers' bills during the adjustment period. The credit or surcharge will also be adjusted to reflect prior year under or over recoveries pursuant to Rider "CIP". The Company at its discretion will make annual filings.

The Company's CIP Recovery Charge including sales and use tax to be effective on and after the date indicatedbelow is as follows:

Rate Schedule	Rate
Residential	\$0.004224 per kWh
MGS Secondary	\$(0.013181) per kWh
MGS Primary	\$(0.025754) per kWh
AGS Secondary	\$(0.19) per kW
AGS Primary	\$(0.37) per kW
TGS Sub Transmission	\$(0.29) per kW
TGS Transmission	\$(0.19) per kW

I. DEFINITION OF TERMS AS USED HEREIN:

1. Actual Number of Customers

- The Actual Number of Customers ("ANC") shall be determined on a monthly basis for each Rate Schedule, to which the CIP applies. The ANC shall equal the aggregate actual monthly customer charge revenue for each classof customers subject to the CIP as recorded on the Company's books, divided by the customer charge rate applicable to such class of customers in each Rate Schedule.

2. Actual Revenue Per Customer

- The Actual Revenue per Customer ("ARC") shall be determined in dollars per customer on a monthly basis for each Rate Schedule, to which the CIP applies. The ARC shall equal the aggregate actual booked variable margin revenue per applicable rate schedule for the month as recorded on the Company's books divided by the Actual Number of Customers for the corresponding month. Actual revenues shall include Distribution Kilowatt-hour and Distribution Kilowatt demand charges, as well as any PowerAhead and Infrastructure Investment Program revenues, and shall not include the customer charge and any non-base rate charges such as the Societal Benefits, Non-Utility Generation, Regional Greenhouse Gas Initiative Recovery ("RGGI"), Securitization, or the Zero EmissionCertificate ("ZEC") Charges.

3. Adjustment Period

- Shall be the year beginning immediately following the conclusion of the Annual Period.

4. Annual Period

- Shall be the twelve consecutive months from July 1st of one calendar year through June 30th of the followingcalendar year.

5. Average 13 Month Common Equity Balance

- Shall be the average of the beginning and ending common equity balances based on the latest publicly available financials available before the end of the Annual Period. The Company shall providethe most recently available actual months plus forecasted data at the time of each Initial Filing. The forecasted data will be updated with actuals once the financial statements for the months have been disclosed.

Date of Issue:

Effective Date:

Issued by:

RIDER CIP (continued)
CONSERVATION INCENTIVE PROGRAM RECOVERY CHARGE

Month	Normal Heating Degree Days	Normal Cooling Degree Days
January	865	0
February	929	0
March	737	0
April	535	0
May	256	34
June	0	140
July	0	309
August	0	371
September	0	251
October	116	85
November	393	0
December	669	0

6. Winter Period

- Shall be the eight consecutive calendar months from October of one calendar year through May of the following calendar year.

7. Summer Period

- Shall be the three consecutive calendar months from July through September of the calendar year and starting June of the following calendar year.

II. DETERMINATION OF THE CONSERVATION INCENTIVE PROGRAM

1. At the end of the Annual Period, a calculation shall be made that determines for each Rate Schedule the deficiency or excess to be surcharged or credited to customers pursuant to the CIP mechanism. The deficiency or excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Revenue per Customer from the Actual Revenue per Customer by the Actual Number of Customers, and then multiplying the resulting usage by the Margin Revenue Factor.

2. The weather-related change in customer usage shall be calculated as the difference between actual CDD and HDD and the above CDD and HDD multiplied by the weather normalization factors and multiplying the result by the margin revenue factors of this Rate Schedule to determine the weather-related deficiency or excess. The weather-related amount will be subtracted from the total deficiency or excess to determine the non-weather-related deficiency or excess.

3. Recovery of margin deficiency associated with non-weather-related changes in customer usage will be subject to a Basic General Service ("BGS") savings test and a Variable Margin Revenue recovery limitation ("recovery tests"). Recovery of non-weather-related margin deficiency will be limited to the smaller of (1) the level of BGS savings achieved when such savings are less than 75 percent of the non-weather-related margin deficiency, i.e. BGS savings test, and (2) 6.5 percent of variable margins for the CIP Annual Period, i.e., Variable Margin Revenue recovery limitation. Any amount that exceeds the above limitations may be deferred for future recovery and is subject to either or both recovery tests in a future year consistent with the amount by which either or both non-weather-related margin deficiency exceeded the recovery tests. For the purposes of this calculation, the value of the weather-related portion shall be calculated as set forth in Section II.2 of this Rate Schedule.

Schedule (SC)-3

Redlined

**RIDER CIP
CONSERVATION INCENTIVE PROGRAM RECOVERY CHARGE**

APPLICABILITY:

This rider is applicable to Rate Schedules RS, MGS Secondary, MGS Primary, AGS Secondary, AGS Primary, and TGS and TGS Sub Transmission. The Company's CIP shall be based on the differences between actual and allowed revenue per customer during the preceding annual period. This adjustment will be effectuated through a credit or surcharge applied to customers' bills during the adjustment period. The credit or surcharge will also be adjusted to reflect prior year under or over recoveries pursuant to Rider "CIP". The Company at its discretion will make annual filings.

The Company's CIP Recovery Charge including sales and use tax to be effective on and after the date indicated below is as follows:

Rate Schedule	Rate	
Residential	\$ <u>(0.000354)004224</u>	per kWh
MGS Secondary	\$ <u>(0.008526013181)</u>	per kWh
MGS Primary	\$ <u>(0.032302025754)</u>	per kWh
AGS Secondary	\$ <u>(0.0419)</u>	per kW
AGS Primary	\$ <u>(0.1337)</u>	per kW
TGS Sub Transmission	\$ <u>(0.1729)</u>	per kW
TGS Transmission	\$ <u>(0.0519)</u>	per kW

I. DEFINITION OF TERMS AS USED HEREIN:

1. Actual Number of Customers

- The Actual Number of Customers ("ANC") shall be determined on a monthly basis for each Rate Schedule, to which the CIP applies. The ANC shall equal the aggregate actual monthly customer charge revenue for each class of customers subject to the CIP as recorded on the Company's books, divided by the customer charge rate applicable to such class of customers in each Rate Schedule.

2. Actual Revenue Per Customer

- The Actual Revenue per Customer ("ARC") shall be determined in dollars per customer on a monthly basis for each Rate Schedule, to which the CIP applies. The ARC shall equal the aggregate actual booked variable margin revenue per applicable rate schedule for the month as recorded on the Company's books divided by the Actual Number of Customers for the corresponding month. Actual revenues shall include Distribution Kilowatt-hour and Distribution Kilowatt demand charges, as well as any PowerAhead and Infrastructure Investment Program revenues, and shall not include the customer charge and any non-base rate charges such as the Societal Benefits, Non-Utility Generation, Regional Greenhouse Gas Initiative Recovery ("RGGI"), Securitization, or the Zero Emission Certificate ("ZEC") Charges.

3. Adjustment Period

- Shall be the year beginning immediately following the conclusion of the Annual Period.

4. Annual Period

- Shall be the twelve consecutive months from July 1st of one calendar year through June 30th of the following calendar year.

5. Average 13 Month Common Equity Balance

- Shall be the average of the beginning and ending common equity balances based on the latest publicly available financials available before the end of the Annual Period. The Company shall provide the most recently available actual months plus forecasted data at the time of each Initial Filing. The forecasted data will be updated with actuals once the financial statements for the months have been disclosed.

Date of Issue: **June 30, 2023**

Effective Date: **July 1, 2023**

Issued by: J. Tyler Anthony, President and Chief Executive Officer – Atlantic City Electric Company Filed pursuant to Board of Public Utilities of the State of New Jersey directives associated with the BPU Docket No. ER22070463 Issued by:

RIDER CIP (continued)
CONSERVATION INCENTIVE PROGRAM RECOVERY CHARGE

Month	Normal Heating Degree Days	Normal Cooling Degree Days
January	<u>877865</u>	0
February	929	0
March	<u>742737</u>	0
April	<u>541535</u>	0
May	256	<u>3534</u>
June	0	<u>138140</u>
July	0	<u>306309</u>
August	0	<u>369371</u>
September	0	<u>248251</u>
October	<u>423116</u>	<u>8385</u>
November	<u>396393</u>	0
December	<u>662669</u>	0

6. Winter Period

- Shall be the eight consecutive calendar months from October of one calendar year through May of the following calendar year.

7. Summer Period

- Shall be the three consecutive calendar months from July through September of the calendar year and starting June of the following calendar year.

II. DETERMINATION OF THE CONSERVATION INCENTIVE PROGRAM

1. At the end of the Annual Period, a calculation shall be made that determines for each Rate Schedule the deficiency or excess to be surcharged or credited to customers pursuant to the CIP mechanism. The deficiency or excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Revenue per Customer from the Actual Revenue per Customer by the Actual Number of Customers, and then multiplying the resulting usage by the Margin Revenue Factor.

2. The weather-related change in customer usage shall be calculated as the difference between actual CDD and HDD and the above CDD and HDD multiplied by the weather normalization factors and multiplying the result by the margin revenue factors of this Rate Schedule to determine the weather-related deficiency or excess. The weather-related amount will be subtracted from the total deficiency or excess to determine the non-weather-related deficiency or excess.

3. Recovery of margin deficiency associated with non-weather-related changes in customer usage will be subject to a Basic General Service ("BGS") savings test and a Variable Margin Revenue recovery limitation ("recovery tests"). Recovery of non-weather-related margin deficiency will be limited to the smaller of (1) the level of BGS savings achieved when such savings are less than 75 percent of the non-weather-related margin deficiency, i.e. BGS savings test, and (2) 6.5 percent of variable margins for the CIP Annual Period, i.e., Variable Margin Revenue recovery limitation. Any amount that exceeds the above limitations may be deferred for future recovery and is subject to either or both recovery tests in a future year consistent with the amount by which either or both non-weather-related margin deficiency exceeded the recovery tests. For the purposes of this calculation, the value of the weather-related portion shall be calculated as set forth in Section II.2 of this Rate Schedule.

ATLANTIC CITY ELECTRIC COMPANY

BEFORE THE NEW JERSEY
BOARD OF PUBLIC UTILITIES
DIRECT TESTIMONY OF NATHANUEL GILLESPIE
BPU DOCKET NO. ER23070479

1 **Q1. Please state your name and position.**

2 A1. My name is Nathanael Gillespie. I am the Director of Customer Solutions for Pepco
3 Holdings LLC, a subsidiary of Exelon Corporation (“Exelon”). I am testifying on behalf
4 of Atlantic City Electric Company (“ACE” or the “Company”).

5 **Q2. What are your responsibilities as Director of Customer Solutions?**

6 A2. I am responsible for the Company’s energy efficiency program portfolios as well
7 as the Distributed Energy Resource Interconnection teams that help customers connect
8 their clean energy generation to the grid.

9 **Q3. Please describe your educational and professional background and experience.**

10 A3. In 2003, I graduated from Philadelphia University with a Bachelor of Science
11 degree in Finance. In 2004, I received a Master of Business Administration degree from
12 Philadelphia University. I began my career in marketing and worked in a number of
13 industries including retail, fashion, industrial manufacturing, and publishing. In September
14 2009, I joined Exelon working for PECO, an electric utility in Philadelphia, where I was
15 responsible for developing and managing energy efficiency programs for the residential
16 sector. In April 2017, I accepted a position as Manager of Residential Energy Efficiency
17 (“EE”) for Pepco Holdings. In this role I was responsible for managing an EE portfolio
18 that included EmPower MD programs at Potomac Electric Power Company (“Pepco”) and
19 Delmarva Power & Light Company (“Delmarva Power”), as well as the Comfort Partners
20 program and Quick Home Energy Checkup program at ACE. In December 2019, I

1 assumed responsibility for Pepco Holdings’ marketing department as Manager, Marketing
2 Programs, where I led the EE, electric vehicle, and customer assistance program marketing
3 efforts. In October 2020, I accepted the position of Sr. Manager, Customer Solutions,
4 where I became responsible for the implementation of the EE portfolios across Pepco,
5 Delmarva Power, and ACE, as well as the Green Power Connect (also known as the
6 Interconnection) team, and Energy Engineers. In February 2022, I accepted my current
7 position of Director, Customer Solutions, where I have responsibility for the strategy and
8 direction of Pepco Holdings EE portfolios, future climate solutions programs, and Green
9 Power Connect.

10 **Q4. What is the purpose of your Direct Testimony?**

11 A4. The purpose of my Direct Testimony is to support the Company’s Petition seeking
12 New Jersey Board of Public Utilities (the “Board” or “BPU”) approval for a rate adjustment
13 related to its Conservation Incentive Program (“CIP”) mechanism, specifically to support
14 the CIP Shareholder Contribution, and provide details of the related spend on EE program
15 marketing activities, program outreach, and program education efforts. I will summarize
16 ACE’s expenditures related to the CIP Shareholder Contribution that was approved by the
17 Board on April 27, 2021, in BPU Docket Nos. QO19010040 and EO20090621 and describe
18 how the Company will comply with the required annual spending.

19 **Q5. Please provide an overview on how the Company spent the CIP Shareholder
20 Contribution in Program Year 2 (“PY2”).**

21 A5. In PY2 (July 1, 2022 - June 30, 2023), ACE spent the entirety of the \$700,000 CIP
22 Shareholder Contribution from PY2 and \$104,439.96 of the \$104,891.50 carryover from
23 Program Year 1 (“PY1”) on marketing and outreach costs to promote its residential and

1 commercial and industrial (“C&I”) energy efficiency programs. This funding supported
2 ongoing initiatives designed to engage and educate customers and trade allies on energy
3 conservation and ACE’s EE program offerings. It also supported rebranding that impacted
4 energy efficiency marketing as advertising, as directed by Exelon, ACE’s ultimate parent
5 company. In Program Year 3 (“PY3”), ACE intends to leverage the shareholder
6 contribution to expand upon the initiatives that contributed to the success of ACE’s EE
7 programs in PY1 and PY2. These include:

8 **Program Collateral:** Program brochures, point-of-purchase (“POP”) signage, and
9 other outreach materials support customer education and can drive customers to the
10 Company’s website to enroll in programs. During PY2, nearly 10,000 new pieces of
11 POP signage were printed for retail stores (Costco, Sam’s Club, Target, and Walmart)
12 supporting the Appliance Rebates and Appliance Recycling programs. Additional
13 quantities of Quick Home Energy Check-Up (1,000) and Home Energy Savings
14 Program (1,000) brochures were printed for community events in the fourth quarter of
15 PY2. During PY3, ACE will develop and print additional program collateral and
16 signage for Company payment centers where customers can pay their bill and pick up
17 information on how these programs can help them save energy and money. An
18 emphasis will be placed on payment centers in overburdened communities.
19 For C&I customers, a new, comprehensive brochure outlining all applicable energy
20 efficiency offerings was developed, as well as new sales sheets for Trade Allies. These
21 customizable sales sheets feature the Small Business Direct Install and Engineered
22 Solutions programs and allow the Trade Allies to add their logo and contact information
23 for customers who may wish to engage in their services for the programs. New Trade

1 Ally recruitment materials are also planned for PY3.

2 In PY3, the Company also will continue to translate key program collateral into
3 Spanish, with a goal of more program materials being translated in PY3. This
4 translated collateral will continue to be leveraged at community and industry events
5 where ACE programs will be promoted, particularly in overburdened communities
6 where the need for Spanish materials is key to outreach.

7 **Website:** By the close of PY2, the Company achieved a marked increase in website
8 traffic over PY1. While in PY1 the ACE website (atlanticcityelectric.com) saw more
9 than 789,600 visits, this increased 45% to more than 1,145,000 visits in PY2. These
10 visits were driven by additional advertising, email marketing, and other outreach
11 efforts. An effort is underway in PY3 to provide Spanish translation of EE web pages
12 in an effort to reach a broader audience with the Company's programs, especially
13 customers in overburdened communities. The translated web pages also will provide
14 a more seamless customer experience for customers seeing and hearing Spanish-
15 language advertising that directs them to the translated website.

16 **Direct-to-Consumer (“DTC”) Marketing:** During PY2, the Company increased
17 development and execution of DTC marketing tactics to raise awareness of residential
18 energy efficiency programs. These tactics, which included email campaigns and direct
19 mail (e.g., post cards, letters, and other mailed promotions), drove awareness of ACE's
20 EE programs, and educated customers on ways to save energy and money. Nearly
21 326,000 residential ACE customers have opted into Company email promotions.
22 Eighty-five email campaigns were executed for Appliance Rebates (14), Appliance
23 Recycling (4), Moderate-Income Weatherization (3), HVAC (15), Home Performance

1 with ENERGY STAR (8), Quick Home Energy Check-up (13), Lighting (21), and
2 Marketplace (7). During PY3, additional email campaigns will be developed for all
3 aforementioned programs, with the additional of email campaigns to support
4 participation in the Multifamily program. Fourteen direct mail campaigns were
5 executed for Appliance Rebates (5), Appliance Recycling (2), Home Performance with
6 ENERGY STAR (3), Quick Home Energy Check-up (3), and Lighting (1). Depending
7 on customer segmenting and program enrollments, 9,000 to 15,000 ACE residential
8 customers may receive direct mail each time the tactic is executed. Direct mail tactics
9 will increase during PY3 to support enhanced outreach efforts for the Company's
10 Home Performance with ENERGY STAR and Home Weatherization programs.

11 **Business-to-Business (“B2B”) Marketing:** During PY2, the Company increased
12 development and execution of B2B marketing tactics to raise awareness of C&I energy
13 efficiency programs. Twenty-nine email campaigns were executed for Small Business
14 Direct Install (6), Prescriptive and Custom (18), and Energy Management (5) programs.
15 More than 3,800 commercial ACE customers have opted into ACE email promotions.
16 A biweekly direct mail effort is in progress (June - August 2023), targeting small
17 business customers to drive increased awareness and participation in the Small
18 Business Direct Install program. During PY2, an investment was made to extend
19 participation in Chambers of Commerce within the ACE territory through the end of
20 the program cycle. This will allow the Company to participate in more local events
21 where ACE representatives can network with and educate stakeholders and customers
22 on ways to save energy and money in their businesses.

1 **Advertising:** Digital advertising for ACE EE programs continued throughout PY2.
2 Advertising (paid media) is part of the marketing and customer outreach strategy for
3 residential and C&I programs. The advertising campaign promoting residential
4 programs targets all residential customers, with segmenting for multicultural groups
5 and some ads translated into Spanish for Spanish-language platforms (e.g., Hispanic
6 and Latino radio stations and websites). Program advertising for residential and C&I
7 programs garnered more than 55 million (in other words, the number of times digital
8 ads have been seen by ACE customers). C&I program advertising targets business type
9 and job title. During PY2, the Company increased advertising for Home Performance
10 with ENERGY STAR, Home Weatherization, and Quick Home Energy Check-up
11 programs. During PY3, advertising for these programs will expand to radio, streaming
12 audio, newspaper, connected TV, and native display. New digital advertising
13 supporting the Multifamily program will also launch in PY3, including responsive ads,
14 discovery ads, native display, paid search, and LinkedIn. Advertising for the
15 Company's C&I programs also continued in PY2. Small Business Direct Install,
16 Prescriptive & Custom, and Energy Management programs were supported by a variety
17 of digital media, including YouTube, LinkedIn, discovery ads, native display ads,
18 responsive ads, paid search, and streaming audio. In PY3, additional advertising is
19 planned for the Small Business Direct Install program, including connected TV, radio,
20 streaming audio, and out-of-home media.

21 **Community Outreach:** Following successful program launch, ACE began residential
22 and C&I outreach activities in Q3 and Q4 of PY1. For residential customers, this
23 included providing lighting kits to customers via the Food Bank of South Jersey to

1 promote the Efficient Products portfolio and building relationships with the National
2 Churches Residences and Stewards of Affordable Housing for the Future to promote
3 ACE's suite of Existing Homes programs. For C&I, the Company sponsored and
4 attended events with the Greater Millville and Gloucester County Chambers of
5 Commerce in order to reach businesses in overburdened communities. In PY2,
6 residential and C&I outreach will continue through onsite events, supported by ongoing
7 marketing efforts to target audiences. ACE looks to engage with more community
8 organizations to expand outreach efforts to a wider customer base.

9 In the third quarter, ACE's Residential Programs had 65,144 participants across the
10 portfolio. During the same period, the Company's C&I programs recorded 72 participants
11 in the Prescriptive/Custom program, and 874 participants in the Multifamily Direct Install
12 program. Additionally, through outreach efforts to onboard and train trade allies in the
13 Company's new program offerings, ACE signed four additional Energy Management trade
14 allies and eight Small Business Direct Install trade allies in the third quarter.

15 **Q6. How did the Company spend any remaining Shareholder Contribution from previous
16 program years?**

17 A6. Any Shareholder Contribution under-spend in a year shall be a carry over to the
18 following year's spending amount. The remaining \$104,891.50 from the PY1 CIP
19 Shareholder Contribution was allocated to additional marketing and advertising efforts, as
20 well as customer outreach by way of programmatic events during PY2. This included
21 additional digital advertising (Facebook, YouTube, paid search, responsive ads, discovery
22 ads) for Home Performance with ENERGY STAR, Home Weatherization, Quick Home
23 Energy Check-up, and Small Business Direct Install programs.

1 The Residential team designated funds toward the promotion and outreach
2 activities to help increase participation. This includes but is not limited to the creation of
3 a video promoting the QHEC program and a small appliance recycling event. Additional
4 funds were also provided to support increased participation in customer events and
5 outreach activities.

6 On the C&I side, ACE earmarked \$16,500 in additional dollars for the Company's
7 implementation contractor TRC to promote increased outreach events (above and beyond
8 those in the approved marketing plan through the end of PY2) and trade ally recognition
9 activities with an intention to increase application volume and completed projects.
10 Additionally, ACE provided \$12,500 more funding for additional customer events and
11 outreach activities through the end of the Triennium to drive increased program
12 participation specifically targeting the Small Business Direct Install program, which has
13 been underperforming to date.

14 The Company will continue in future program years to identify initiatives and
15 activities that the Shareholder Contribution will fund that provide benefits to customers
16 such as reducing their electricity costs and reducing ACE's peak demand. Should
17 Shareholder Contribution costs exceed the funding levels established for ACE in any given
18 year, the Company will still provide funding for 100% of such program costs in future
19 years.

20 **Q7. Does this conclude your testimony?**

21 A7. Yes.

**IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY
FOR IMPLEMENTATION OF AN
ADJUSTMENT TO ITS CONSERVATION
INCENTIVE PROGRAM RATE
MECHANISM AND ASSOCIATED
CUSTOMER CLASS RATES (2023)**

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

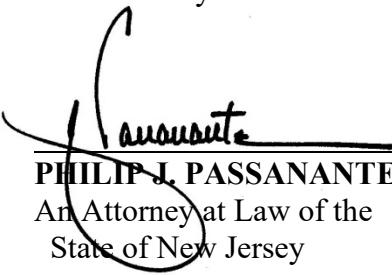
CERTIFICATION OF SERVICE

PHILIP J. PASSANANTE, of full age, certifies as follows:

1. I am an attorney at law of the State of New Jersey and am Assistant General Counsel to Atlantic City Electric Company, the Petitioner in the within matter, with which I am familiar.
2. I hereby certify that, on July 31, 2023, I caused the within Petition and supporting documents to be filed with the New Jersey Board of Public Utilities (the “Board”) through its eFiling Portal. I also caused an electronic copy to be sent to the Board Secretary’s office at board.secretary@bpu.nj.gov.
3. I further certify that, on July 31, 2023, I caused a complete copy of the Petition and supporting documents to be sent by electronic mail to each of the parties listed in the attached Service List. This is consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254 (March 19, 2020).

4. I further and finally certify that the foregoing statements made by me are true. I am aware that, if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: July 31, 2023


PHILIP J. PASSANANTE

An Attorney at Law of the
State of New Jersey

Atlantic City Electric Company – 92DC42
500 N. Wakefield Drive
P.O. Box 6066
Newark, Delaware 19714-6066
(667) 313-0418 – Telephone (Teams)
(609) 909-7034 – Telephone (Trenton)
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

In the Matter of the Petition of Atlantic City Electric Company for Implementation of an Adjustment to Its Conservation Incentive Program Rate Mechanism and Associated Customer Class Rates (2023)

BPU Docket No. ER23070479

Service List

BPU

Sherri L. Golden, RMC •
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350
sherri.golden@bpu.nj.gov
board.secretary@bpu.nj.gov

Stacy Peterson
Deputy Executive Director
stacy.peterson@bpu.nj.gov

Robert Brabston, Esquire
Executive Director
robert.brabston@bpu.nj.gov

Benjamin Witherell, Ph.D.
Chief Economist
benjamin.witherell@bpu.nj.gov

Jackie O'Grady
Office of the Chief Economist
jackie.ogrady@bpu.nj.gov

Division of Clean Energy
Stacy Ho Richardson, Esquire
Deputy Director
stacy.richardson@bpu.nj.gov

Mahogany A. Hall
Program Specialist 2
mahogany.hall@bpu.nj.gov

Division of Energy
Mike Kammer
Director
Division of Water and Energy
mike.kammer@bpu.nj.gov

Malike Cummings
Deputy Director
malike.cummings@bpu.nj.gov

Bart Kilar
[bart.kilar@bpu.nj.gov](mailto bart.kilar@bpu.nj.gov)

William Barkasy
[william.barkasy@bpu.nj.gov](mailto william.barkasy@bpu.nj.gov)

Counsel's Office

Michael Beck, Esquire
Chief Counsel
michael.beck@bpu.nj.gov

Carol Artale, Esquire
Deputy Chief Counsel
carol.artale@bpu.nj.gov

Heather Weisband, Esquire
Senior Counsel
heather.weisband@bpu.nj.gov

Charles Gurkas
Paralegal
charles.gurkas@bpu.nj.gov

Cindy Bianco
cindy.bianco@bpu.nj.gov

Paul Buhagiar
paul.buhagiar@bpu.nj.gov

Jehvson Espiritu
jehvson.espiritu@bpu.nj.gov

Dante Cusi
dante.cusi@bpu.nj.gov

DAG
David Apy, Esquire
Assistant Attorney General
Hughes Justice Complex
25 Market Street
P.O. Box 112
Trenton, NJ 08625
david.apy@law.njoag.gov

Daren Eppley, Esquire
Deputy Attorney General
daren.eppley@law.njoag.gov

Pamela L. Owen, Esquire
Deputy Attorney General
pamela.owen@law.njoag.gov

Steven A. Chaplar, Esquire
Deputy Attorney General
steven.chaplar@law.njoag.gov

Matko Ilic, Esquire
Deputy Attorney General
matko.ilic@law.njoag.gov

RATE COUNSEL

Brian O. Lipman, Esquire
Director
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
blipman@rpa.nj.gov

Maura Caroselli, Esquire
Deputy Rate Counsel
mcaroselli@rpa.nj.gov

Sarah H. Steindel, Esquire
Deputy Rate Counsel
ssteindel@rpa.nj.gov

Megan Lupo, Esquire
Assistant Deputy Rate Counsel
mlupo@rpa.nj.gov

Carlena Morrison
cmorrison@rpa.nj.gov

Karen Forbes
kforbes@rpa.nj.gov

ACE
Philip J. Passanante, Esquire
Atlantic City Electric Company
92DC42
500 N. Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
philip.passanante@pepcoholdings.com

Heather Hall
Manager, Regulatory Affairs NJ
heather.hall@pepcoholdings.com

Joanne Sheridan
Senior Rate Analyst
joanne.sheridan@pepcoholdings.com