

**NOTICE
TO CUSTOMERS OF
ATLANTIC CITY ELECTRIC COMPANY**

**In the Matter of the Petition of Atlantic City Electric Company to Reconcile
and Update the Level of Its Non-Utility Generation Charge and Its Societal
Benefits Charge (2023)
BPU Docket No. ER23020057**

PLEASE TAKE NOTICE that, on or about February 1, 2023, Atlantic City Electric Company (“ACE” or the “Company”) filed a Petition (the “Petition”) with the New Jersey Board of Public Utilities (the “Board” or “BPU”) to reconcile, update, and approve proposed changes to the Company’s Non-Utility Generation Charge (“NGC”) and Societal Benefits Charge (“SBC”). ACE’s NGC provides for recovery of the above-market portion of payments made under the Company’s now restructured non-utility generation (“NUG”) contracts and certain costs associated with such commitments. ACE’s SBC was established by the Board pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq., to recover costs related to the Universal Service Fund and Lifeline social programs, the Board’s Clean Energy Program (“CEP”), and the Company’s Uncollectible Accounts Charges (“UNC”).

As filed, the Petition proposed to reset the NGC for the period June 1, 2023 through May 31, 2024, based upon a projected deferred balance on March 31, 2023, inclusive of projected customer revenue through May 31, 2023, and associated NUG contract restructuring payments for the period April 1, 2023 through March 31, 2024. The Company has also proposed to modify specific cost components of the SBC by adjusting the UNC and CEP components of the SBC based upon projected deferred balances as of March 31, 2023, inclusive of projected customer revenue through May 31, 2023, and the projected expenses for the period April 1, 2023 through March 31, 2024.

As set forth in the Stipulation of Settlement and confirmed by Order of the Board issued in connection with BPU Docket No. ER20010088, the Company has provided periodic formal updates to the Board, Board Staff, and the New Jersey Division of Rate Counsel (“Rate Counsel”) with respect to the balances in the NGC and SBC. The Company’s latest quarterly report, which highlighted the deferred balances as of March 31, 2023, inclusive of projected customer revenue through May 31, 2023, was submitted on or about January 31, 2023.

The NGC component is based on the schedule of annual contract restructuring payments as determined by the Board’s Restructuring Order dated March 23, 2022 in Docket No. EM21121253 for the period ending March 31, 2023 and continuing through March 31, 2024. The effect of the change in the NGC component for this period results in a \$4.944 million decrease to be returned to customers over the period June 1, 2023 through May 31, 2024.

The UNC component is based on actual expenditures through March 31, 2023 and projected data through March 31, 2024. Also included in the UNC component is the commencement of a partial recovery of deferred uncollectible expenses associated with the recently concluded COVID-19 Pandemic, which the Company proposes to recover over a three-year period. The effect of the change in the UNC component for this period results in an increase of \$7.431 million to be recovered over the period June 1, 2023 through May 31, 2024. The Board has not made a final determination regarding the allowable amount of recoverable arrearages and recovery mechanism in the pending COVID-19 Arrearage Proceedings.

The Company’s Petition also included ACE’s proposed adjustments to the CEP component of the SBC based upon actual expenditures as of March 31, 2023, and projected data through March 31, 2024. The effect of the change in the CEP component for this period results in an increase of \$1.797 million to be recovered over the period June 1, 2023 through May 31, 2024.

The net effect of all proposed changes to the NGC and SBC charges is an annual increase of \$4.284 million.

The following table demonstrates the Company’s proposed rates based upon actual data as of March 31, 2023, and forecasted data through March 2024:

Rate Schedule	NGC	SBC (CEP & UNC)
Residential	\$0.009250	\$0.006031
MGS Secondary	\$0.009250	\$0.006031
MGS Primary	\$0.009008	\$0.006031
AGS Secondary	\$0.009250	\$0.006031
AGS Primary	\$0.009008	\$0.006031
TGS	\$0.008819	\$0.006031
SPL/CSL	\$0.009250	\$0.006031
DDC	\$0.009250	\$0.006031

The effect of the changes in the NGC and SBC charges on a typical residential customer’s monthly electric bill using 680 kWh represents an increase of approximately \$0.34 or 0.24 percent. Residential customers using other monthly usage amounts, based on the Company’s proposed rates, are illustrated below:

Monthly kWh Use	Present Bill	Proposed Bill	Increase (\$)	Increase (%)
100	\$26.56	\$26.61	\$0.05	0.19%
300	\$67.16	\$67.31	\$0.15	0.22%
500	\$107.76	\$108.01	\$0.25	0.23%
750	\$158.53	\$158.90	\$0.37	0.23%
1000	\$211.18	\$211.67	\$0.49	0.23%
2000	\$421.78	\$422.77	\$0.99	0.23%
2500	\$527.09	\$528.31	\$1.22	0.23%
3000	\$632.38	\$633.85	\$1.47	0.23%

The resolution of this Petition and the reconciliation of these accounts will not result in any profit to the Company.

The percentage increases noted above are based upon a comparison with current rates. 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, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 pandemic, 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: Tuesday, May 23, 2023	Date: Tuesday, May 23, 2023
Time: 4:30 P.M.	Time: 5:30 P.M.
VIRTUAL WEBINAR To join the meeting directly, enter https://tinyurl.com/58tjvrsw To join through a prompt for VTC conference ID, enter exelon@m.webex.com and then the VTC conference ID 1192514155 followed by #	VIRTUAL WEBINAR To join meeting directly, enter https://tinyurl.com/58tjvrsw To join through a prompt for VTC conference ID, enter exelon@m.webex.com and then the VTC conference ID 1192514155 followed by #
Dial-In Number: 1-443-529-0267 Phone Conference ID: 190 170 457#	Dial-In Number: 1-443-529-0267 Phone Conference ID: 190 170 457#

Representatives from the Company, the New Jersey Division of Rate Counsel, and 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 Ave., 1st Floor

PO Box 350

Trenton, NJ 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: May 3, 2023

ATLANTIC CITY ELECTRIC COMPANY