

92DC42
PO Box 6066
Newark, DE 19714-6066

302.429.3105 - Telephone
302.429.3801 - Facsimile
philip.passanante@pepcoholdings.com

500 N. Wakefield Drive
Newark, DE 19702

atlanticcityelectric.com

August 6, 2020

Municipal Clerk
Township of Pittsgrove
989 Centerton Road
Pittsgrove, NJ 08318

RE: In the Matter of the 2020/2021 Annual Compliance Filings for the Universal Service Fund ("USF") Program Factor Within the Societal Benefits Charge Rate BPU Docket No. ER20060392

In the Matter of the Provision of Basic Generation Service ("BGS") for the Period Beginning June 1, 2021
BPU Docket No. ER20030190

Notice(s) of Filing and Public Hearings

Dear Sir/Madame:

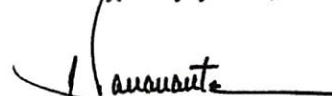
On behalf of Atlantic City Electric Company ("ACE") and pursuant to N.J.A.C. 14:1-5.12, enclosed please find copies of the Notice(s) of Filing and Public Hearings (the "Notice") in connection with the above-captioned matters.

Please be advised that these Notices have been – or will soon be – published in local newspapers serving ACE's entire service territory.

Interested parties can also file written comments with the Secretary of the Board of Public Utilities (44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625) and can e-mail them to board.secretary@bpu.nj.gov. Please include the name of the Petition on which comments are being filed and the docket number in the subject line. Copies should also be sent to Heather Hall, Manager of Regulatory Affairs, Atlantic City Electric Company, 500 N. Wakefield Drive, P.O. Box 6066, Newark, Delaware 19714-6066.

Thank you for your time and attention to the above.

Very truly yours,



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



Enclosures

BGS PUBLIC NOTICE

NOTICE TO ATLANTIC CITY ELECTRIC COMPANY (“ACE”) CUSTOMERS

NOTICE OF FILING AND PUBLIC HEARINGS FOR BASIC GENERATION SERVICE (“BGS”) CHARGES PROCURED BY ACE ON BEHALF OF ITS BGS CUSTOMERS AND NOTICE OF PROPOSED RECOVERY THROUGH ITS BGS CHARGES OF COSTS RESULTING FROM STATEWIDE AUCTION FOR BGS

BPU DOCKET NO. ER20030190

PLEASE TAKE NOTICE that, on July 1, 2020, Atlantic City Electric Company (“ACE” or “Company”) filed a proposal [Annual Proposal for Basic Generation Service (“BGS”) Requirements to Be Procured Effective June 1, 2021] with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board approve the procurement of BGS through a statewide competitive auction process with new BGS charges to become effective June 1, 2021. BGS is the electric generation supply provided to all ACE customers who do not purchase their electricity from a third-party supplier.

The Board mandates that all New Jersey electric distribution companies (“EDCs”), including ACE, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act (“Act”). BGS is currently procured through a statewide competitive auction process in which all of the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and has found that this auction process meets the statutory requirements of the Act. The Company’s Annual Proposal for BGS Requirements to Be Procured Effective June 1, 2021, is available at <http://www.bgs-auction.com/bgs.auction.regproc.asp>.

The final price for Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) supply resulting from the BGS-RSCP auction conducted in 2020 was \$0.08269 per kilowatt-hour, including Federal Energy Regulatory Commission (“FERC”)-approved transmission charges, for a 36-month supply period. For the Basic Generation Service – Commercial and Industrial Energy Pricing (“BGS-CIEP”) auction conducted in 2020, the Generation Capacity Charge cleared at \$350.55 per MW-day.

The final auction clearing prices for the BGS supply procured in the 2021 BGS-RSCP and BGS-CIEP auctions may be higher than or lower than the prices obtained in the 2020 auctions. Auction prices are converted to customer charges, which may be higher than or lower than current charges, depending on the outcome of the auction, consistent with market conditions. In the Petition pending before the Board, the EDCs propose that the BGS energy rates for the upcoming BGS auction exclude applicable transmission charges set by FERC. ACE has requested that the EDCs be permitted to procure transmission on behalf of the BGS customers going forward instead of the BGS Suppliers, and transmission charges will be broken out as a separate component of total BGS-RSCP supply rates. BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in these FERC-approved transmission charges. If the Board approves ACE’s request to exclude transmission costs from BGS, the 2021 prices will appear lower because transmission will not be included in the 2021 auction prices.

Under the EDCs' July 1, 2020, proposal, the criteria for BGS-CIEP eligibility would be set at a peak load share of 500 kW. These criteria for BGS-CIEP service are subject to change for this year's procurement at the discretion of the Board. Customers eligible to be served under the BGS-RSCP rate include customers served under ACE's rate schedules RS, DDC, SPL, CSL, and MGS and AGS customers with a peak load share of less than 500 kW. BGS-CIEP will be the only default supply option available to customers served on rate schedule TGS and to customers served on rate schedules MGS Secondary, MGS Primary, AGS Secondary, and AGS Primary with a peak load share of 500 kW and higher as of November 1 of the year prior to the BGS auctions.

PLEASE TAKE FURTHER NOTICE that, due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and time so that members of the public may present their views. The hearing will continue until all public witnesses are heard. Information provided at the public hearing will become part of the record of this case and will be considered by the Board in making its decision.

DATE:	Wednesday, August 26, 2020
TIME:	4:30 P.M.
DIAL-IN:	866.326.9183
PASSCODE:	617161#

Representatives from the Company, Board Staff, and the Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the dial-in information set forth above and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. The Board is also accepting written and e-mailed comments. Although both will be given equal consideration, the preferred method of transmittal is via e-mail to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. E-mail comments should be submitted to: board.secretary@bpu.nj.gov. Please include the name of the Petition and the docket number when submitting comments. Written and e-mailed comments will be provided the same weight as statements made at the hearings. Hearings will continue, if necessary, on such additional dates and at such locations as the Board may designate, to ensure that all interested persons are heard.

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on September 11, 2020, beginning at 10:00 A.M., regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs' BGS proposals shortly thereafter. The Board's Agenda Meeting schedules can be found at nj.gov/bpu.

Dated: August 6, 2020

Atlantic City Electric Company

NOTICE TO
ATLANTIC CITY ELECTRIC COMPANY
CUSTOMERS

Notice of a Filing
and Notice of Public Hearings

In the Matter of the 2020/2021 Annual Compliance Filings for the
Universal Service Fund Program Factor Within the Societal Benefits Charge Rate
BPU Docket No. ER20060392

TAKE NOTICE that, on June 25, 2020, Atlantic City Electric Company (“ACE” or “Company”) made an Annual Compliance Filing with the Board of Public Utilities (“Board” or “BPU”) and provided supporting documentation for changes in the Universal Service Fund (“USF”) and Lifeline components of ACE’s Societal Benefits Charge (“SBC”) to become effective on October 1, 2020. The requested program changes result in an increase to the USF component and an increase to the Lifeline component of the SBC. The requested change in the USF and Lifeline components is made pursuant to Board Orders, and includes the recovery of funding for the USF Program through uniform statewide rates. The USF Program was established by the Board pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq, (“EDECA”), to provide funds to assist qualifying low-income individuals in paying their energy bills. The State of New Jersey’s Department of Community Affairs is the Administrator of the USF Program, and the New Jersey Department of Human Services is the Administrator of the Lifeline programs and authorizes the disbursement of benefits to eligible customers in the respective programs.

Based upon the results and available estimates known to date for the 2019/2020 USF program year, and the available estimates for the 2020/2021 USF program year, it is anticipated that the USF rates will be set to recover \$125.6 million, of which, \$100.2 million will be recovered through electric rates with the remaining \$25.4 million recovered through gas rates on a statewide basis. The Lifeline rates are anticipated to collect \$74.6 million, of which \$50.0 million will be recovered through electric rates with the remaining \$24.6 million recovered through gas rates on a statewide basis.

The proposed charges for electric customers are as follows:

Universal Service/Lifeline Fund Components of Societal Benefits Charge				
	Present	Present (Incl. Sales and Use	Proposed	Proposed (Incl. Sales and Use Tax)
USF-Electric per kWh	\$0.001249	\$0.001332	\$0.001428	\$0.001523
Lifeline-Electric per kWh	\$0.000708	\$0.000755	\$0.000712	\$0.000759

It is important to note that the above requests will not result in any profit to ACE. The revenues received under the proposed USF and Lifeline Program factors are designed to permit the Company to recover its costs associated with these programs. Actual program costs will be reconciled with the revenues received through the USF and Lifeline Program charges in the next scheduled annual USF and Lifeline filing to be made on or before July 1, 2021.

The effect of the proposed changes in the electric USF/Lifeline Program charge on typical Residential electric bills, if approved by the Board, is illustrated below:

Residential Electric Service				
Typical Average Monthly Bill				
(Includes Sales and Use Tax)				
			Increase	
	Present Charges (1)	Proposed Charges (2)	Amount	Percent
650 kWh average monthly use	\$125.96	\$126.09	\$0.13	0.10
679 kWh average monthly use	\$131.32	\$131.45	\$0.13	0.10
1,000 kWh average monthly use	\$192.42	\$192.62	\$0.20	0.10
1,500 kWh average monthly use	\$288.33	\$288.63	\$0.30	0.10

- (1) Based upon Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) and Delivery Rates in effect June 1, 2020 and assumes that the customer receives BGS-RSCP service from ACE.
- (2) Same as (1) above except includes change in USF/Lifeline.

Based upon the Company's filing with a proposed effective date of October 1, 2020, and utilizing then current rates at the time of the filing, a typical residential customer using 679 kWh per month would see an increase in the customer's monthly bill of \$0.13 from \$131.32 to \$131.45 or 0.10%. The percentage change applicable to specific customers will vary according to the applicable service classification and the level of the customer's usage.

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those proposed by the Company.

The 2020 USF and Lifeline filing is posted on the Company's website at www.atlanticcityelectric.com/PublicPostings.

PLEASE TAKE FURTHER NOTICE that, due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and times so that members of the public may present their views on the Company's filing:

Date: Wednesday, August 26, 2020	Date: Wednesday, August 26, 2020
Time: 4:30 P.M.	Time: 5:30 P.M.
Dial-in Number: 1-866-326-9183	Dial-in Number: 1-866-326-9183
Passcode: 617161#	Passcode: 617161#

A hearing officer designated by the Board will preside over the telephonic public hearing. Representatives of the Company, Board's Staff, and the New Jersey Division of Rate Counsel will also participate via phone in the public hearing. Members of the public are invited to listen and participate by phone via the above designated dial-in number and passcode and may express their views on this filing. Any comments made will be part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comments, please submit any requests for needed accommodations, such as interpreters or listening devices, 48 hours prior to the above hearings to the Board's Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written and/or emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. Email comments should be submitted to: board.secretary@bpu.nj.gov. Please include the name of the petition and the docket number when submitting comments.

Dated: August 6, 2020

Atlantic City Electric Company