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March 1, 2022

VIA ELECTRONIC MAIL

aida.camacho@bpu.nj.gov board.secretary@bpu.nj.gov

Aida Camacho-Welch Secretary of the Board Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350

RE: In the Matter of the Petition of Atlantic City Electric Company for Approval of the Smart Energy Network Program and Cost Recovery Mechanism and Other Related Relief

BPU Docket No. EO22080541

Dear Secretary Camacho-Welch:

The undersigned serves as Assistant General Counsel for Atlantic City Electric Company ("ACE"). In accordance with the Stipulation of Settlement approved by the New Jersey Board of Public Utilities ("Board") in the above captioned proceeding, ACE was directed to provide a semi-annual report on the Smart Energy Network deployment process ("SEN Semi-Annual Report"). Accordingly, ACE hereby submits the required SEN Semi-Annual Report for the period July 1, 2021 through December 31, 2021, along with accompanying attachments.

Consistent with the Order issued by the BPU on March 19, 2020 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*, ACE files this Compliance Report and Attachments electronically with the Secretary of the Board and Rate Counsel. No paper copies will follow.

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Thank you for your cooperation and courtesies. Feel free to contact the undersigned with any questions.

Respectfully submitted,

Cynthia L.M. Holland An Attorney at Law of the State of New Jersey

Enclosures

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ACE Smart Energy Network – Deployment Semi-Annual Report to the Board of Public Utilities July 1, 2021, through December 31, 2021

Pursuant to

the Stipulation of Settlement Approved in Connection With

BPU Docket No. EO20080541

Date of Report: March 1, 2022

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ACE Smart Energy Network Program Semi-Annual Report Introduction

In accordance with the Stipulation of Settlement (the "Stipulation") executed and approved in connection with the New Jersey Board of Public Utilities ("Board" or "BPU") Docket No. EO20080541, Atlantic City Electric Company ("ACE" or the "Company") hereby submits its Semi-Annual Spend Report for the period July 1, 2021, through December 31, 2021, in connection with its Smart Energy Network ("SEN").

The Stipulation, as approved by the Board, directed ACE to provide a semi-annual report on the SEN deployment process to Board Staff and Rate Counsel ("AMI Report"), setting forth the following information:

- the estimated quantity of work and the quantity completed to date or, if the activity cannot be quantified with numbers, the major tasks completed, e.g., AMI meters deployed, year-to-date and total for both residential and commercial customers, average cost per residential and commercial installation, broken down by labor and meter costs; network deployment status by access points and relays/repeaters deployed;
- 2. the number of customers opting out each month and the total number of opt-out customers for the program-to-date;
- 3. the number of actual reads recorded from AMI meters each month;
- 4. the number of meter readers employed or under contract by ACE each month;
- 5. the number of legacy meter tests performed in each report, and of those, how many were inaccurate;
- 6. the number of unique page views16 who have accessed the MyAccount web portal each month;
- 7. the number of customers identified to have received behavioral energy saving messaging each month:

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ACE Smart Energy Network Program Semi-Annual Report Introduction

- 8. to commence following any Data Access Plan approved by the Board under Paragraph 31, customer energy usage data for each month in the previous semiannual cycle and program-to-date provided to authorized third-party suppliers;
- 9. the number of AMI meters replaced due to functioning errors for each month and program-to-date;
- 10. the number of remote connects/disconnects performed each month and for the program-to-date;
- 11. the number of AMI meter tampering cases found each month and for the program-to-date;
- 12. the forecasted and actual SEN Program Costs to date for the reporting period and for the program-to-date;
- 13. the forecasted and actual SEN O&M expenses to date for the reporting period and for the program-to-date;
- 14. the forecasted and actual legacy meter stranded costs deferred to date for the reporting period and for the program-to-date;
- 15. and the estimated SEN project completion date.

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SEN Project Status

In accordance with the Stipulation:

Section 1: ACE is to provide the estimated quantity of work and the quantity completed to date or, if the activity cannot be quantified with numbers, the major tasks completed, e.g., AMI meters deployed, year-to-date and total for both residential and commercial customers, average cost per residential and commercial installation, broken down by labor and meter costs; network deployment status by access points and relays/repeaters deployed.

Response: As of December 31, 2021, ACE has replaced or installed 13,667 legacy meters (10,892 residential, 2,775 commercial) with AMI meters as part of normal work. Detailed cost breakdowns will become available with the start of the mass meter deployment in the 4th quarter of 2022. ACE is performing the design of the SEN network and will begin installation of access points and repeaters in the 2nd quarter of 2022.

ACE has completed the hiring process for key vendors necessary to complete the project including; Meter Install Vendor, Customer Education Team, Consultant, and Project Management Team. ACE has completed planning the integrations between ACE and the Meter Install Vendor to capture installation information and handling customer calls about AMI.

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Section 2: ACE is to provide the number of customers opting out each month and the total number of opt-out customers for the program-to-date.

Response: ACE is currently in the early stages of deployment. ACE has currently not received any requests to opt out of the SEN program.

Period July 1, 2021 - December 31, 2021	# Of Customer Opting out of AMI
July	N/A
August	N/A
September	N/A
October	N/A
November	N/A
December	N/A
Total per period	N/A
Program-to-Date	N/A

Section 3: ACE is to provide the number of actual reads recorded from AMI meters each month.

Response: AMI meters are currently being manually read with non-AMI meters.

Period July 1, 2021 - December 31, 2021	# Of AMI actual meter reads
July	N/A
August	N/A
September	N/A
October	N/A
November	N/A
December	N/A
Total per period	N/A

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Section 4: ACE is to provide the number of meter readers employed or under contract by ACE each month.

Response: Millennium Account Services performs meter reading on behalf of ACE and South Jersey Industries. Millennium Account Services is a joint venture with South Jersey Industries. Numbers below reflect reading of both gas and electric meters for both companies.

Period July 1, 2021 - December 31, 2021	# Of Meter readers employed
July	82
August	79
September	76
October	76
November	81
December	80

Section 5: ACE is to provide the number of legacy meter tests performed in each report, and of those, how many were inaccurate.

Response: Legacy meter testing, as part of the SEN project, has not started yet as mass deployment has not yet begun. External to the SEN project, meter testing is ongoing as part of normal business and results are reported quarterly to the Board in Docket No. EO18101189 as the Electric Meter Periodic Test Data.

Section 6: ACE is to provide the number of unique page views who have accessed the MyAccount web portal each month:

Period July 1, 2021 - December 31, 2021	# of unique page views
July	127,368
August	132,273
September	127,276
October	131,160
November	114,513
December	114,770
Total per period	747,360

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Section 7: ACE is to provide the number of customers identified to have received behavioral energy saving messaging each month. These customers will be broken down into several areas.

Response: ACE behavioral energy savings messaging will begin as part of the Company's mass deployment customer and stakeholder education and engagement plan and will build as meter functionality is enabled.

7.1: The total number of stakeholder briefings, community presentations, open houses, and events tabled SEN, including total number of individuals reached.

Response: N/A

7.2: The total impressions generated by SEN advertising campaign (*Advertising is not underway yet);

Response: N/A

7.3: The total number of direct mail pieces/letters/bill inserts/eblasts distributed regarding SEN.

Response: N/A

7.4: The percentage of customers aware of SEN initiative and/or smart meters.

Response: N/A

7.5: The total number of customers signed up for High Usage Reports (via email or text) or Weekly Energy Reports (via email).

Response: N/A

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Section 8: To commence following any Data Access Plan approved by the Board under Paragraph 31, ACE is to provide customer energy usage data for each month in the previous semi-annual cycle and program-to-date provided to authorized third-party suppliers.

Response: At this time, ACE does not have an approved Data Access Plan. It is the Company's understanding that the Board will be taking further action on data access in BPU Docket No. EO20110716.

Period July 1, 2021 - December 31, 2021	Customer energy usage data
July	N/A
August	N/A
September	N/A
October	N/A
November	N/A
December	N/A
Total per period	N/A
Program-to-Date	N/A

Section 9: ACE is to provide the number of AMI meters replaced due to functioning errors for each month and program-to-date.

Period July 1, 2021 - December 31, 2021	# of AMI meters due to functioning errors
July	0
August	0
September	0
October	0
November	0
December	0
Total per period	0
Program-to-Date	0

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Section 10: ACE is to provide the number of remote connects/disconnects performed each month and for the program-to-date.

Response: As ACE is in the early stages of deployment, the Company is not currently utilizing remote operations as part of the SEN technology.

Period July 1, 2021 - December 31, 2021	# Of remote connects	# Of remote disconnects
July	N/A	N/A
August	N/A	N/A
September	N/A	N/A
October	N/A	N/A
November	N/A	N/A
December	N/A	N/A
Total per period	N/A	N/A
Program-to-Date	N/A	N/A

Section 11: ACE is to provide the number of AMI meter tampering cases found each month and for the program-to-date.

Period July 1, 2021 - December 31, 2021	# of AMI meter tampering cases
July	0
August	0
September	0
October	0
November	0
December	0
Total per period	0
Program-to-Date	0

Section 12: ACE is to provide the forecasted and actual SEN Program Costs to date for the reporting period and for the program-to-date.

Response: *See Attachment 1

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Section 13: ACE is to provide the forecasted and actual SEN O&M expenses to date for the reporting period and for the program-to-date.

Response: *See Attachment 1

Section 14: ACE is to provide the forecasted and actual legacy meter stranded costs deferred to date for the reporting period and for the program-to-date.

Response: *See Attachment 2

Section 15: ACE is to provide the estimated SEN project completion date.

Response: ACE is on target to complete the SEN project on or before the end of October 2024.

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Attachment 1

ACE SEN LTD Full Program Costs - Thru 12/31/2021				
ITN	Act	uals	Fore	cast/Budget
66668: ACE Smart Energy Network NJ/AMI Program - Install Costs	\$	538,948	\$	604,524
68664: ACE O&M Smart Energy Network AMI Program	\$	1,285,973	\$	564,964
68989: ACE Smart Energy Network NJ/AMI Program - Meter Purchases	\$	2,500,136	\$	2,590,010
68994: ACE Smart Energy Network NJ/AMI Program -Comms Network Costs	\$	830,793	\$	759,340
75270: ACE Reg Asset Smart Energy Network AMI Program	\$	-	\$	250,000
Total	\$	5,155,850	\$	4,768,838

ACE SEN LTD O&M Program Costs - Thru 12/31/2021				
ITN	Act	uals	Forec	ast/Budget
66668: ACE Smart Energy Network NJ/AMI Program - Install Costs	\$	21,608	\$	-
68664: ACE O&M Smart Energy Network AMI Program	\$	1,285,973	\$	564,964
Total	\$	1,307,581	\$	564,964

ACE SEN Full Program Costs - 7/1/2021-12/31/2021		
ITN	Actuals	Forecast/Budget
66668: ACE Smart Energy Network NJ/AMI Program - Install Costs	\$ 538,948	8 \$ 604,524
68664: ACE O&M Smart Energy Network AMI Program	\$ 522,727	\$ 564,964
68989: ACE Smart Energy Network NJ/AMI Program - Meter Purchases	\$ 1,448,534	\$ 1,491,911
68994: ACE Smart Energy Network NJ/AMI Program -Comms Network Costs	\$ 830,793	\$ \$ 759,340
75270: ACE Reg Asset Smart Energy Network AMI Program	\$ -	\$ 250,000
Total	\$ 3,341,001	. \$ 3,670,739

ACE SEN O&M Program Costs - 7/1/2021-12/31/2021				
ITN	Actı	uals	Foreca	st/Budget
66668: ACE Smart Energy Network NJ/AMI Program - Install Costs	\$	21,608	\$	-
68664: ACE O&M Smart Energy Network AMI Program	\$	522,727	\$	564,964
Total	\$	544,335	\$	564,964

Attachment 2

SEN Semi-Annually Reporting Section 14

Actual and Forecasted legacy meter stranded costs deferred to date for the reporting period and for the program-to-date

Reporting Item and Period

July 1, 2021 to December 31, 2021

Account Number	Account Description	July 2021 Activity	August 2021 Activity	September 2021 Activity	October 2021 Activity	November 2021 Activity	December 2021 Activity	December 2021 Balance
182830	Accelerated Depreciation AMI	\$ 482,859.29	\$ 1,381,129.75	\$ 1,364,587.72	1,363,895.05	1,363,895.05	993,329.07	\$ 6,949,695.93

July 2	2021 Forecasted Activity	Aug	ust 2021 Forecasted Activity	September 2021 Forecasted Activity	October 2021 Forecasted Activity	November 2021 Forecasted Activity	December 2021 Forecasted Activity	Dec	ember 2021 Forcasted Balance
\$	500,440.32	\$	1,363,548.72	\$ 1,363,548.72	1,363,548.72	1,363,548.72	1,363,548.72	\$	7,318,183.91