



A PHI Company

**Philip J. Passanante**  
Associate General Counsel

500 North Wakefield Drive  
Newark, DE 19702

P.O. Box 6066  
Newark, DE 19714-6066

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

July 2, 2015

**VIA FIRST CLASS MAIL and  
ELECTRONIC MAIL**  
[irene.asbury@bpu.state.nj.us](mailto:irene.asbury@bpu.state.nj.us)  
[board.secretary@bpu.state.nj.us](mailto:board.secretary@bpu.state.nj.us)

Irene Kim Asbury, Esquire  
Secretary of the Board  
State of New Jersey  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**RE:** In the Matter of the 2015/2016 Annual Compliance Filing for a Decrease  
in the Statewide Electric and Gas Permanent Universal Service Fund  
Program Factors Within the Electric and Gas Societal Benefits Charges  
Rates Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1*  
BPU Docket Nos. EX00020091 and ER15060732

Atlantic City Electric Company  
2015/2016 Annual Compliance Filing for the Universal Service Fund Program  
Factor Within the Societal Benefits Charge Rate

Dear Secretary Asbury:

By way of follow up and supplement to Atlantic City Electric Company's June 22, 2015 2015/2016 Universal Service Fund annual compliance filing, enclosed for your review , consideration, and comment are an original and eleven (11) copies of a proposed Notice of Public Hearing in connection with the above referenced matter.

Kindly acknowledge receipt of this filing by date stamping the enclosed copy of this letter and returning it to the undersigned in the self-addressed, postage-prepaid envelope provided.

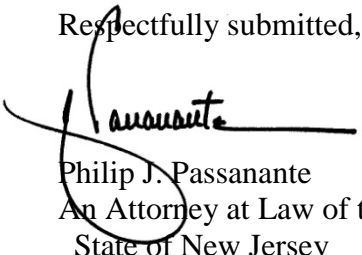
Irene Kim Asbury, Esquire

July 2, 2015

Page 2

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

Respectfully submitted,

 /jpr

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

Enclosures

cc: Service List  
Dorothy A. Robinson  
Timothy J. White  
Roger E. Pedersen  
Joseph F. Janocha  
Alison Regan  
Sharon Roach

NOTICE  
TO THE CUSTOMERS OF  
ATLANTIC CITY ELECTRIC COMPANY

Notice of Filing  
and Notice of Public Hearings

In the Matter of the 2015/2016 Annual Compliance Filings  
for A Change in the Statewide Electric and Gas Permanent  
Universal Service Fund Program Factors Within the Electric and  
Gas Societal Benefits Charges Rates  
Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:21.1

BPU Docket No. ER15060732

**PLEASE TAKE NOTICE** that, on or about June 22, 2015, Atlantic City Electric Company (“ACE”) made a compliance filing providing supporting documentation for changes in the Universal Service Fund (“USF”) and Lifeline components of the electric Societal Benefits Charges (“SBC”). This requested change in electric USF/Lifeline components is made pursuant to Orders of the New Jersey Board of Public Utilities (the “Board” or “BPU”) and includes the recovery of funding for the USF Program through uniform statewide rates.

The USF Program was established by the Board in 2003 pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, *et seq.*, to provide funds to assist qualifying low-income individuals in paying their energy bills. The State of New Jersey’s Department of Community Affairs (“DCA”) is the Administrator of the USF program and the New Jersey Department of Human Services (“DHS”) is the Administrator of the Lifeline programs. DCA and DHS authorize the disbursement of benefits to eligible customers in the respective programs.

Based upon the results and available estimates known to date for the 2014/2015 USF program year and the available estimates known to date for the 2015/2016 USF Program year, it is anticipated that the statewide USF rates (“USF Rates”) should increase to collect \$176.0 million of USF program costs on a statewide basis, and that the statewide Lifeline rates (“Lifeline Rates”) should decrease to collect \$74.2 million of Lifeline program costs on a statewide basis. \$154.1 million of the total estimated statewide USF program costs of \$176.0 million would be recovered through electric rates and the remaining portion of the \$21.9 million would be recovered through gas rates. It is further anticipated that \$49.7 million of the statewide Lifeline program costs of \$74.2 million would be recovered through electric rates and the remaining portion of \$24.5 million would be recovered through gas rates.

In its June 22, 2005 Universal Service Fund Order, the Board directed that the filing requirements for rate setting, including notice of filing, notice of public hearings, and tariffs, should be made by July 1, 2006, and each year thereafter. In accordance with that Order, ACE made a filing with the Board on or about June 22, 2015, requesting to change its current USF/Lifeline program charges, as described below, to become effective on October 1, 2015.

The proposed statewide charges for electric customers are as follows:

<b>Universal Service/Lifeline Fund Components of Societal Benefits Charge</b>				
	<b>Present</b>	<b>Present (Incl. Sales and Use Tax)</b>	<b>Proposed</b>	<b>Proposed (Incl. Sales and Use Tax)</b>
USF-Electric per kWh	\$0.001863	\$0.001993	\$0.002098	\$0.002245
Lifeline-Electric per kWh	\$0.000690	\$0.000738	\$0.000677	\$0.000724

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 ACE to recover its costs associated with these programs only. 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 compliance filing to be made on or before July 1, 2016.

If approved by the Board, the effect of the proposed changes in the electric USF/Lifeline Program charges on a typical residential electric bill is illustrated below:

<b>Monthly kWh Use</b>	<b>Present Annual Bill (1)</b>	<b>Proposed Annual Bill (2)</b>	<b>Proposed Annual Increased</b>	<b>Proposed % Increase</b>
100	\$ 21.89	\$ 21.92	\$ 0.03	0.14%
300	\$ 57.70	\$ 57.77	\$ 0.07	0.12%
500	\$ 93.50	\$ 93.62	\$ 0.12	0.13%
750	\$ 138.24	\$ 138.42	\$ 0.18	0.13%
1000	\$ 184.32	\$ 184.56	\$ 0.24	0.13%
2000	\$ 368.65	\$ 369.13	\$ 0.48	0.13%
2500	\$ 460.82	\$ 461.42	\$ 0.60	0.13%
3000	\$ 552.99	\$ 553.70	\$ 0.71	0.13%

(1) Based on Residential rates in effect June 1, 2015

(2) Based on Residential rates in effect June 1, 2015, with proposed changes.

As set forth in the above chart, based on ACE's June 22, 2015 filing, a typical residential electric customer using 1,000 kilowatt hours per month would see a monthly increase in the bill from \$184.32 to \$184.56 or \$0.24 or approximately 0.13%.

In addition, in Orders issued June 21, 2010 and October 20, 2010, the Board, among other things, authorized recovery by the utilities of USF-related administrative costs as of July 31, 2009 and its administrative costs since July 31, 2009 through the USF Rates and Lifeline Rates requested in the July 1, 2010 compliance filings. The Board also authorized the utilities, including ACE, to provide, in subsequent annual USF compliance filings, details regarding the utilities' USF-related administrative costs for the prior year for inclusion in the USF Rates and Lifeline Rates.

Accordingly, ACE has provided detailed information regarding its USF-related administrative costs for the period July 1, 2014 through March 31, 2015 and has requested the full recovery of these annual administrative costs in rates effective October 1, 2015.

Actual results regarding USF expenditures and recoveries could be significantly affected by program changes, participation rates, and/or sales volumes.

The Board has the statutory authority to establish the USF Rates and Lifeline Rates at levels it finds just and reasonable. Therefore, the Board may establish the USF Rates and Lifeline Rates at levels other than those proposed by ACE's June 22, 2015 filing. As a result, the above described charges may increase or decrease based upon the Board's decision.

The Petition was served upon the New Jersey Division of Rate Counsel ("Rate Counsel") who will represent the interests of New Jersey ratepayers in this proceeding. Copies of ACE's June 22, 2015 filing are available for review at ACE's business office (5100 Harding Highway, Mays Landing, New Jersey 08330), during normal business hours. The Petition and updates (if any) have been posted on ACE's website at [www.atlanticcityelectric.com/home/choice/nj/public/](http://www.atlanticcityelectric.com/home/choice/nj/public/). The filing is also available for review at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350.

The following dates, times, and locations for public hearings have been scheduled on the above filing so that members of the public may present their views.

<b>Date:</b> XXXX, 2015	<b>Date:</b> XXXX, 2015
<b>Time:</b> 3:30 P.M.	<b>Time:</b> 5:30 P.M.
<b>Location:</b> Atlantic City Electric Company Offices 1 <sup>st</sup> Floor Conference Room 5100 Harding Highway Mays Landing, New Jersey 08330	<b>Location:</b> Atlantic City Electric Company Offices 1 <sup>st</sup> Floor Conference Room 5100 Harding Highway Mays Landing, New Jersey 08330

Representatives from Board Staff and Rate Counsel will be present at the public hearings. Members of the public are invited to attend and express their views on the filing. Comments will be made a part of the final record of the proceeding to be considered by the Board. In order to encourage full participation, please submit any requests for needed accommodations, including interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings. Customers may file written comments with the Secretary of the New Jersey Board of Public Utilities at 44 South Clinton Avenue, 9<sup>th</sup> Floor, P.O. Box 350, Trenton, New Jersey 08625-0350, Attention: Irene Kim Asbury, whether or not they attend the public hearings or they may send comments by e-mail to the BPU at [board.secretary@bpu.state.nj.us](mailto:board.secretary@bpu.state.nj.us).

**ATLANTIC CITY ELECTRIC COMPANY**

In the Matter of the 2015/2016 Annual Compliance Filing for a Decrease in the Statewide Electric and Gas  
Permanent Universal Service Fund Program Factors Within the Electric and Gas Societal Benefits  
Charges Rates Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1*

BPU Docket No. EX00020091

2015/2016 Annual Compliance Filing for the Universal Service Fund Program  
Factor Within the Societal Benefits Charge Rate

BPU Docket No. ER15060732

**Service List**

**BPU**  
Irene Kim Asbury, Esquire  
Secretary of the Board  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
(609) 777-3300 – Telephone  
[irene.asbury@bpu.state.nj.us](mailto:irene.asbury@bpu.state.nj.us)  
[board.secretary@bpu.state.nj.us](mailto:board.secretary@bpu.state.nj.us)

Alice Bator  
Bureau Chief  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[alice.bator@bpu.state.nj.us](mailto:alice.bator@bpu.state.nj.us)

Bethany Rocque-Romaine, Esquire  
Legal Specialist  
New Jersey Board of Public Utilities  
44 South Clinton Avenue - 10th Floor  
Trenton, NJ 08625  
[bethany.rocque-romaine@bpu.state.nj.us](mailto:bethany.rocque-romaine@bpu.state.nj.us)

Maureen Wagner  
Legal Specialist  
New Jersey Board of Public Utilities  
44 South Clinton Avenue - 10th Floor  
Trenton, NJ 08625  
[maureen.wagner@bpu.state.nj.us](mailto:maureen.wagner@bpu.state.nj.us)

Maureen Clerc  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[maureen.clerc@bpu.state.nj.us](mailto:maureen.clerc@bpu.state.nj.us)

Robert Schultheis  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[robert.schultheis@bpu.state.nj.us](mailto:robert.schultheis@bpu.state.nj.us)

Julie Ford-Williams  
Supervisor  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[julie.ford@bpu.state.nj.us](mailto:julie.ford@bpu.state.nj.us)

Eric Hartsfield  
Director  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[eric.hartsfield@bpu.state.nj.us](mailto:eric.hartsfield@bpu.state.nj.us)

Peter Hilerio, Esquire  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[peter.hilerio@bpu.state.nj.us](mailto:peter.hilerio@bpu.state.nj.us)

Jerome May  
Director  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350  
[jerome.may@bpu.state.nj.us](mailto:jerome.may@bpu.state.nj.us)

Albert Weierman  
Division of Audits  
Board of Public Utilities  
44 South Clinton Avenue, CN350  
Trenton, NJ 08625-0350  
[albert.weierman@bpu.state.nj.us](mailto:albert.weierman@bpu.state.nj.us)

Stacy Peterson  
Board of Public Utilities  
44 South Clinton Avenue, CN350  
Trenton, NJ 08625-0350  
[stacy.peterson@bpu.state.nj.us](mailto:stacy.peterson@bpu.state.nj.us)

Andrea Reid  
Board of Public Utilities  
44 South Clinton Avenue, CN350  
Trenton, NJ 08625-0350  
[andrea.reid@bpu.state.nj.us](mailto:andrea.reid@bpu.state.nj.us)

William Agee, Esquire  
Board of Public Utilities  
44 South Clinton Avenue, CN350  
Trenton, NJ 08625-0350  
[william.agee@bpu.state.nj.us](mailto:william.agee@bpu.state.nj.us)

John Zarzycki  
Board of Public Utilities  
44 South Clinton Avenue, CN350  
Trenton, NJ 08625-0350  
[john.zarzycki@bpu.state.nj.us](mailto:john.zarzycki@bpu.state.nj.us)

**DAG**  
Geoffrey Gersten, Esquire  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101  
(973) 648-3510 – Telephone  
(973) 648-3555 – Facsimile  
[geoffrey.gersten@dol.lps.state.nj.us](mailto:geoffrey.gersten@dol.lps.state.nj.us)

Patricia A. Krogman, Esquire  
Deputy Attorney General  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101  
[patricia.krogman@dol.lps.state.nj.us](mailto:patricia.krogman@dol.lps.state.nj.us)

**RATE COUNSEL**  
Stefanie A. Brand, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[sbrand@rpa.state.nj.us](mailto:sbrand@rpa.state.nj.us)

Ami Morita, Esquire  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[amorita@rpa.state.nj.us](mailto:amorita@rpa.state.nj.us)

Sarah Steindel, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[ssteinde@rpa.state.nj.us](mailto:ssteinde@rpa.state.nj.us)

Felicia Thomas-Friel, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[ftomas@rpa.state.nj.us](mailto:ftomas@rpa.state.nj.us)

Brian O. Lipman, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[brian.lipman@rpa.state.nj.us](mailto:brian.lipman@rpa.state.nj.us)

Lisa Gurkas  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625  
[lgurkas@rpa.state.nj.us](mailto:lgurkas@rpa.state.nj.us)

**RATE COUNSEL  
CONSULTANT**

David E. Peterson  
Chesapeake Regulatory Consultants  
10351 Southern Maryland Boulevard  
Suite 202  
Dunkirk, MD 20754-9500  
[davep@chesapeake.net](mailto:davep@chesapeake.net)

**ACE**

Philip J. Passanante, Esquire  
Associate General Counsel  
Atlantic City Electric Company  
92DC42  
500 N. Wakefield Drive  
P.O. Box 6066  
Newark, DE 19714-6066  
(302) 429-3105 – Telephone  
(302) 429-3801 – Facsimile  
[philip.passanante@pepcoholdings.com](mailto:philip.passanante@pepcoholdings.com)

Roger E. Pedersen, Manager  
Regulatory Affairs, NJ  
Atlantic City Electric Company  
63ML38  
5100 Harding Highway  
Mays Landing, NJ 08330  
(609) 625-5820 – Telephone  
(609) 625-5838 – Facsimile  
[roger.pedersen@pepcoholdings.com](mailto:roger.pedersen@pepcoholdings.com)

Joseph F. Janocha  
Atlantic City Electric Company  
63ML38  
5100 Harding Highway  
Mays Landing, NJ 08330  
(609) 625-5868 – Telephone  
(609) 625-5838 – Facsimile  
[joseph.janocha@pepcoholdings.com](mailto:joseph.janocha@pepcoholdings.com)

Timothy J. White  
Pepco Holdings, Inc. - 79NC59  
401 Eagle Run Road  
P.O. Box 9239  
Newark DE 19714-9239  
(302) 283-5848 – Telephone  
(302) 454-4440 – Facsimile  
[timothy.white@pepcoholdings.com](mailto:timothy.white@pepcoholdings.com)

Dorothy A. Robinson  
Pepco Holdings, Inc. - 79NC59  
401 Eagle Run Road  
P.O. Box 9239  
Newark DE 19714-9239  
(302) 283-5797 – Telephone  
(302) 454-4440 – Facsimile  
[dorothy.a.robinson@pepcoholdings.com](mailto:dorothy.a.robinson@pepcoholdings.com)

**AGL/ELIZABETHTOWN**

Deborah M. Franco, Esquire  
Cullen and Dykman LLP  
Garden City Center  
100 Quentin Roosevelt Boulevard  
Garden City, NY 11530-4850  
[dfranco@cullenanddykman.com](mailto:dfranco@cullenanddykman.com)

Thomas Kaufmann  
Elizabethtown Gas  
520 Green Lane  
Union, NJ 07083  
[tom.kaufmann@aglresources.com](mailto:tom.kaufmann@aglresources.com)

Mary Patricia Keefe, Esquire  
Elizabethtown Gas  
520 Green Lane  
Union, NJ 07083  
[mkeefe@aglresources.com](mailto:mkeefe@aglresources.com)

Susan Potanovich  
Elizabethtown Gas  
520 Green Lane  
Union, NJ 07083  
[spotanov@aglresources.com](mailto:spotanov@aglresources.com)

**JCP&L**

Sally J. Cheong  
Jersey Central Power & Light Co.  
300 Madison Avenue  
P.O. Box 1911  
Morristown, NJ 07962-1911  
[scheong@firstenergycorp.com](mailto:scheong@firstenergycorp.com)

Michael J. Connolly, Esquire  
Windels Marx Lane & Mittendorf,  
One Giralda Farms  
Madison, NJ 07940  
[mconnolly@windelsmarx.com](mailto:mconnolly@windelsmarx.com)

Gabrielle A. Figueroa, Esquire  
Windels Marx Lane & Mittendorf,  
One Giralda Farms  
Madison, NJ 07940  
[gfigueroa@windelsmarx.com](mailto:gfigueroa@windelsmarx.com)

Lauren M. Lepkoski Esquire  
First Energy Corporation  
2800 Pottsville Pike  
Reading, PA 19612-6001  
[llepkoski@firstenergycorp.com](mailto:llepkoski@firstenergycorp.com)

Mark Mader  
Jersey Central Power & Light Co.  
300 Madison Avenue  
P.O. Box 1911  
Morristown, NJ 07962-1911  
[mamader@firstenergycorp.com](mailto:mamader@firstenergycorp.com)

**NJNG**

Andrew K Dembia Esquire  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719  
[adembia@njng.com](mailto:adembia@njng.com)

Marianne Harrell  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719  
[mharrell@njng.com](mailto:mharrell@njng.com)

Tina Trebino  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719  
[ttrebino@njng.com](mailto:ttrebino@njng.com)

**PSE&G**

Constance E. Lembo  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark, NJ 07102  
[constance.lembo@pseg.com](mailto:constance.lembo@pseg.com)

Tracy Morgan  
PSEG Services Corporation  
80 Park Plaza, T8  
P.O. Box 570  
Newark, NJ 07102  
[tracy.morgan@pseg.com](mailto:tracy.morgan@pseg.com)

Matthew M. Weissman Esquire  
PSEG Services Corporation  
80 Park Plaza, T5  
P.O. Box 570  
Newark, NJ 07102  
[matthew.weissman@pseg.com](mailto:matthew.weissman@pseg.com)

**RECO**

William A. Atzl Jr.  
Rockland Electric Company  
4 Irving Place  
Room 515-S  
New York, NY 10003  
[atzlw@coned.com](mailto:atzlw@coned.com)

John L. Carley Esquire  
Consolidated Edison Co. of NY  
Law Dept.  
4 Irving Place, Room 1815-S  
New York, NY 10003  
[carleyj@coned.com](mailto:carleyj@coned.com)

Margaret Comes, Esquire  
Consolidated Edison Co. of NY  
Law Dept  
4 Irving Place  
New York, NY 10003  
[comesm@coned.com](mailto:comesm@coned.com)

Barbara Devito  
Rockland Electric Company  
One Blue Hill Plaza  
Pearl River, NY 10965  
[devitob@oru.com](mailto:devitob@oru.com)

Tineesha McMullen  
Rockland Electric Company  
One Blue Hill Plaza  
Pearl River, NY 10965  
[mcmullent@oru.com](mailto:mcmullent@oru.com)

Cheryl M. Ruggiero  
Rockland Electric Company  
4 Irving Place  
2nd Floor East  
New York, NY 10003  
[ruggieroc@coned.com](mailto:ruggieroc@coned.com)

**SJG**

Kenneth J. Barcia  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037  
[kbarcia@sjindustries.com](mailto:kbarcia@sjindustries.com)

Carolyn Jacobs  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037  
[cjacobs@sjindustries.com](mailto:cjacobs@sjindustries.com)

Ira G. Megdal, Esquire  
Cozen O'Connor  
457 Haddonfield Road, Suite 300  
Libertyview  
Cherry Hill, NJ 08002  
[imegdal@cozen.com](mailto:imegdal@cozen.com)