

August 19, 2016

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BOARD OF PUBLIC UTILITIES
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VIA HAND DELIVERY

Honorable Irene Jones
Administrative Law Judge
State of New Jersey
Office of Administrative Law
33 Washington Street
Newark, New Jersey 07102

RE: In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1*, for Approval of a Grid Resiliency Program and Cost Recovery Related Thereto, and for Other Appropriate Relief (2016)

BPU Docket No. ER16030252

OAL Docket No. PUC 5556-16

Dear Judge Jones:

The undersigned represents the Petitioner, Atlantic City Electric Company ("ACE" or "Company"), in the above-referenced proceeding. Enclosed for filing please find an original and two copies of a Stipulation of Settlement ("Stipulation") executed on behalf of the Company, the Division of Rate Counsel, the Staff of the Board of Public Utilities, and Unimin Corporation (together, the "Signatory Parties").¹ The Stipulation sets out the agreement of the Signatory Parties on the Company's revenue requirement, as well as several related base rate case matters. The Stipulation also contains the agreement of the Signatory Parties that issues associated with the PowerAhead program, and related cost-recovery mechanism, would benefit from further review and will be considered in a Phase Two of this docketed proceeding.

¹ Participant, Public Service Electric and Gas Company, has indicated it intends to file a separate letter stating that it does not object to the terms of the Stipulation. A Motion to Intervene was also filed by the Environmental Defense Fund ("EDF"), which remains pending at this time. On August 18, 2016, the undersigned counsel for the Company advised counsel for EDF of the settlement of revenue requirement and related issues, and invited EDF to participate in the Phase Two proceeding.

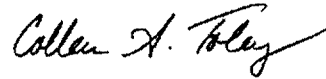
Stephen B. Genzer - Newark Managing Partner

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Case mgmt

The Company respectfully requests that Your Honor issue an Initial Decision addressing the matters resolved in the Stipulation as soon as practicable so that the Board of Public Utilities may approve the Stipulation at its August 24, 2016 public agenda meeting. Should Your Honor have any questions, please contact me at 973-286-6711. Thank you.

Respectfully submitted,

A handwritten signature in cursive script, reading "Colleen A. Foley".

Colleen A. Foley

Cc: Hon. Irene Kim Asbury, Secretary (via email and overnight delivery)
Service List (via email only)