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January 24, 2017

VIA ELECTRONIC MAIL
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Irene Kim Asbury, Esquire
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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Trenton, New Jersey 08625-0350

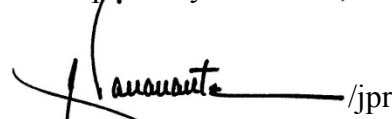
RE: Atlantic City Electric Company Universal Service Fund (“USF”) Financial
Reports: Reports: Fourth Quarter 2016
BPU Docket No. EX00020091

Dear Secretary Asbury:

On behalf of Atlantic City Electric Company (“ACE” or the “Company”), enclosed please find USF reports that are being filed electronically with the Secretary of the Board and the Director of the Division of Audits for the quarter ending on December 31, 2016. The reports are: (1) the Fourth Quarter 2016 USF Financial Report (**Attachment 1**); (2) Table 3: Fourth Quarter 2016 New Jersey USF/APP data (**Attachment 2**); and (3) 2016 USF Annual Statistics (**Attachment 3**).

On or about January 5, 2015, ACE converted to a new SAP-based customer information system called Solution One. Although every effort was made to minimize disruption to ACE’s customers and mitigate any impact on its reporting obligations, the Company experienced some issues in gathering data for certain reports. We are pleased to advise that all issues have been resolved.

Respectfully submitted,



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

Enclosure

cc: Service List

Attachment 1

**Atlantic City Electric Company
USF/ Lifeline Billing and Remittance Summary**

**USF/Lifeline Billing
FERC Acct # 925400**

USF/Lifeline Remittance

	KWH Billed	USF 254.141 / 254.148		Lifeline 254.141 / 254.149		Total USF/Lifeline Billing	USF		Lifeline		Total USF/Lifeline Remittance
		Rate	Billing	Rate	Billing		Remittance	Date	Remittance	Date	
Jan-16	726,073,691	\$0.002097	\$1,522,866.15	\$0.000681	\$494,184.01	\$2,017,050.16	\$1,304,716.40	1/14/2016	\$422,844.14	1/15/2016	\$1,727,560.54
Feb-16	678,381,755	\$0.002076	\$1,408,005.68	\$0.000673	\$456,691.82	\$1,864,697.50	\$1,522,866.15	2/17/2016	\$494,184.01	2/18/2016	\$2,017,050.16
Mar-16	661,431,618	\$0.002085	\$1,379,251.01	\$0.000676	\$447,342.50	\$1,826,593.51	\$1,408,005.68	3/14/2016	\$456,691.82	3/11/2016	\$1,864,697.50
Apr-16	624,522,428	\$0.002089	\$1,304,676.35	\$0.000678	\$423,332.79	\$1,728,009.14	\$1,379,251.01	4/14/2016	\$447,342.50	4/13/2016	\$1,826,593.51
May-16	568,047,386	\$0.002090	\$1,186,974.58	\$0.000678	\$385,003.27	\$1,571,977.85	\$1,304,676.35	5/13/2016	\$423,332.79	5/13/2016	\$1,728,009.14
Jun-16	736,216,802	\$0.002088	\$1,537,081.23	\$0.000677	\$498,535.14	\$2,035,616.37	\$1,186,974.58	6/14/2016	\$385,003.27	6/14/2016	\$1,571,977.85
Jul-16	932,394,983	\$0.002086	\$1,945,225.73	\$0.000677	\$630,785.50	\$2,576,011.23	\$1,537,081.23	7/19/2016	\$498,535.14	7/19/2016	\$2,035,616.37
Aug-16	1,108,376,105	\$0.002087	\$2,313,291.30	\$0.000677	\$749,878.20	\$3,063,169.50	\$1,945,225.73	8/15/2016	\$630,785.50	8/9/2016	\$2,576,011.23
Sep-16	1,085,088,691	\$0.002079	\$2,256,401.59	\$0.000677	\$734,398.72	\$2,990,800.31	\$2,313,291.30	9/14/2016	\$749,878.20	9/14/2016	\$3,063,169.50
Oct-16	445,817,988	\$0.001991	\$887,746.68	\$0.000702	\$312,953.47	\$1,200,700.15	\$2,256,401.59	10/14/2016	\$734,398.72	10/14/2016	\$2,990,800.31
Nov-16	591,515,318	\$0.001862	\$1,101,294.00	\$0.000727	\$429,926.79	\$1,531,220.79	\$887,746.68	11/14/2016	\$312,953.47	10/14/2016	\$1,200,700.15
Dec-16	661,503,952	\$0.001863	\$1,232,451.41	\$0.000727	\$481,205.46	\$1,713,656.87	\$1,101,294.00	12/14/2016	\$429,926.79	12/15/2016	\$1,531,220.79
Total	8,819,370,717		18,075,265.71		6,044,237.67	24,119,503.38	18,147,530.70		5,985,876.35		24,133,407.05

Date Due: January 31, 2017
Submitted By: Dorothy Robinson
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Atlantic City Electric Company Calculation of USF Recovery

FERC Acct #914200

	USF 142.460 / 142.461 Credits Issued	USF 142.460 / 142.461 Received From Clearinghouse	Under (Over) Recovery
		Amount Date	
Jan-16	\$2,135,867.57	\$2,323,579.45	(\$187,711.88)
Feb-16	\$2,162,203.11	\$2,612,399.07	(\$450,195.96)
Mar-16	\$2,189,600.43	\$2,569,601.46	(\$380,001.03)
Apr-16	\$2,215,198.36	\$2,518,163.82	(\$302,965.46)
May-16	\$2,233,513.47	\$1,155,672.68	\$1,077,840.79
Jun-16	\$2,244,942.98	\$2,208,728.07	\$36,214.91
Jul-16	\$2,186,988.32	\$2,871,917.06	(\$684,928.74)
Aug-16	\$2,268,714.18	\$3,254,357.36	(\$985,643.18)
Sep-16	\$2,158,046.38	\$0.00	\$2,158,046.38
Oct-16	\$2,012,537.97	\$3,498,696.96	(\$1,486,158.99)
Nov-16	\$1,944,380.96	\$3,273,297.77	(\$1,328,916.81)
Dec-16	\$1,927,949.92	\$0.00	\$1,927,949.92
Total	\$25,679,943.65	\$26,286,413.70	(\$606,470.05)

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Atlantic City Electric Company Calculation of USF APP Recovery

FERC Acct #914200

	USF APP 142.464 Credits Issued	USF APP 142.464 Received From Clearinghouse	Under (Over) Recovery
		Amount	Date
Jan-16	81,145.85		\$81,145.85
Feb-16	\$92,464.98		\$92,464.98
Mar-16	\$215,072.84		\$215,072.84
Apr-16	\$121,754.12		\$121,754.12
May-16	\$141,441.57		\$141,441.57
Jun-16	\$305,753.42		\$305,753.42
Jul-16	\$107,629.57		\$107,629.57
Aug-16	\$44,066.74		\$44,066.74
Sep-16	\$48,769.01		\$48,769.01
Oct-16	\$107,161.57		\$107,161.57
Nov-16	\$43,422.31		\$43,422.31
Dec-16	\$63,717.84		\$63,717.84
Total	\$1,372,399.82	\$0.00	\$1,372,399.82

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Atlantic City Electric Company Calculation of Lifeline Recovery

FERC Acct #914200

	Lifeline 142.460 Credits Issued	Lifeline Funds 142.462 Received From Clearinghouse	Under (Over) Recovery
		Amount	
		Date	
Jan-16	\$540,225.00	0.00	\$540,225.00
Feb-16	(\$112.50)	\$0.00	(\$112.50)
Mar-16	\$199,800.00	\$540,225.00	(\$340,425.00)
Apr-16	170,437.50	199,800.00	(\$29,362.50)
May-16	45,675.00	0.00	\$45,675.00
Jun-16	25,312.50	216,112.50	(\$190,800.00)
Jul-16	0.00	25,312.50	(\$25,312.50)
Aug-16	(225.00)	0.00	(\$225.00)
Sep-16	0.00	0.00	\$0.00
Oct-16	\$1,145,587.50	\$0.00	\$1,145,587.50
Nov-16	\$0.00	\$1,145,587.50	(\$1,145,587.50)
Dec-16	\$0.00	\$0.00	\$0.00
Total	\$2,126,700.00	\$2,127,037.50	(\$337.50)

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Atlantic City Electric Company Calculation of Total Recovery Net of Interest

FERC Acct #914200

	Total Credits Issued	Total Funds Received From Clearinghouse		Under (Over) Recovery
		Amount	Date	
Jan-16	\$2,757,238.42	\$2,323,579.45		\$433,658.97
Feb-16	\$2,254,555.59	\$2,612,399.07		(\$357,843.48)
Mar-16	\$2,604,473.27	\$3,109,826.46		(\$505,353.19)
Apr-16	\$2,507,389.98	\$2,717,963.82		(\$210,573.84)
May-16	\$2,420,630.04	\$1,155,672.68		\$1,264,957.36
Jun-16	\$2,576,008.90	\$2,424,840.57		\$151,168.33
Jul-16	\$2,294,617.89	\$2,897,229.56		(\$602,611.67)
Aug-16	\$2,312,555.92	\$3,254,357.36		(\$941,801.44)
Sep-16	\$2,206,815.39	\$0.00		\$2,206,815.39
Oct-16	\$3,265,287.04	\$3,498,696.96		(\$233,409.92)
Nov-16	\$1,987,803.27	\$4,418,885.27		(\$2,431,082.00)
Dec-16	\$1,991,667.76	\$0.00		\$1,991,667.76
Total	\$29,179,043.47	\$28,413,451.20		\$765,592.27

Date Due: January 31, 2017
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Atlantic City Electric Company Interest on USF / Lifeline

	142.461 USF Interest	Lifeline Interest	Total Interest Current Month Accrued	Total Interest Year-to-Date Accrued	Interest Payments Received	Balance Owed to ACE	Notes
Jan-16	\$ 6,005.05	\$ -	\$ 6,005.05	\$ 6,005.05		\$ 6,005.05	
Feb-16	\$ 5,065.27	\$ -	\$ 5,065.27	\$ 11,070.32		\$ 11,070.32	
Mar-16	\$ 5,022.18	\$ -	\$ 5,022.18	\$ 16,092.50		\$ 16,092.50	
Apr-16	\$ 4,594.44	\$ -	\$ 4,594.44	\$ 20,686.94		\$ 20,686.94	
May-16	\$ 5,087.75	\$ -	\$ 5,087.75	\$ 25,774.69		\$ 25,774.69	
Jun-16	\$ 6,142.42	\$ -	\$ 6,142.42	\$ 31,917.11		\$ 31,917.11	
Jul-16	\$ 4,639.57	\$ -	\$ 4,639.57	\$ 36,556.68		\$ 36,556.68	
Aug-16	\$ 4,554.92	\$ -	\$ 4,554.92	\$ 41,111.60		\$ 41,111.60	
Sep-16	\$ 5,379.77	\$ -	\$ 5,379.77	\$ 46,491.37		\$ 46,491.37	
Oct-16	\$ 5,743.37	\$ -	\$ 5,743.37	\$ 52,234.74		\$ 52,234.74	
Nov-16	\$ 4,949.33	\$ -	\$ 4,949.33	\$ 57,184.07		\$ 57,184.07	
Dec-16	\$ 6,351.80	\$ -	\$ 6,351.80	\$ 63,535.87		\$ 63,535.87	

Date Due: January 31, 2017
Submitted By: Dorothy Robinson
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Attachment 2

ATLANTIC CITY ELECTRIC COMPANY
Fourth Quarter USF Statistics 2016

NUMBER OF USF CUSTOMERS

BILL PERIOD	TOT BILLED	TOT USF	TOT APP	# CUTS QUESTION #5	# CUSTOMERS QUESTION #1
201610	3,422,930.36	-2,014,011.94	-113,062.33	270	31,745
201611	4,652,876.75	-1,944,380.96	-75,193.30	52	27,939
201612	3,289,662.85	-1,928,608.47	-80,604.71	0	27,376
TOTAL	11,365,469.96	-5,887,001.37	-268,860.34	322	87,060

**DISTRIBUTION OF USF BENEFITS
(QUESTION #2)**

PERIOD	RANGE	USF	#ACCTS
201610	\$5 - \$25	47,080.67	3,698
201610	\$25.01 - \$50	143,655.02	3,823
201610	\$50.01 - \$75	229,324.16	3,686
201610	\$75.01 - \$100	267,802.32	3,071
201610	\$100.01 - \$125	272,691.90	2,432
201610	\$125.01 - \$150	1,017,628.83	6,949
201610	OVER \$150	76,622.35	271
Payment posted in March or earlier but reversed in April	REVERSAL	-40,793.31	471
TOTAL		2,014,011.94	24,401
201611	\$5 - \$25	48,336.10	3,807
201611	\$25.01 - \$50	144,380.10	3,841
201611	\$50.01 - \$75	230,004.81	3,698
201611	\$75.01 - \$100	265,883.44	3,046
201611	\$100.01 - \$125	268,543.83	2,390
201611	\$125.01 - \$150	970,675.10	6,628
201611	OVER \$150	45,324.70	141
Payment posted in April or earlier but reversed in May	REVERSAL	-28,767.12	324
TOTAL		1,944,380.96	23,875
201612	\$5 - \$25	47,072.71	3,732
201612	\$25.01 - \$50	142,554.09	3,795
201612	\$50.01 - \$75	228,571.18	3,679
201612	\$75.01 - \$100	265,265.25	3,041
201612	\$100.01 - \$125	261,072.63	2,326
201612	\$125.01 - \$150	934,981.07	6,385
201612	OVER \$150	65,315.90	243
Payment posted in May or earlier but reversed in June	REVERSAL	-16,224.36	234
TOTAL		1,928,608.47	23,435

**DISTRIBUTION OF ARREARAGE FORGIVENESS
(QUESTION #3)**

PERIOD	RANGE	APP	#ACCTS
201610	\$1 - \$5	0.06	4
201610	\$5.01 - \$25	424.21	21
201610	\$25.01 - \$50	1,925.12	51
201610	\$50.01 - \$75	2,553.06	42
201610	\$75.01 - \$100	2,992.53	34
201610	\$100.01 - \$200	14,362.67	100
201610	\$200.01 - \$300	24,132.62	89
201610	\$300.01 - \$400	3,849.02	11
201610	\$400.01 - \$500	1,836.57	4
201610	\$500.01 - \$1,000	9,471.86	13
201610	\$1,000.01 - \$2,000	17,702.79	13
201610	\$2,000.01 - \$3,000	33,811.82	10
201610	\$3,000.01 - \$4,000	0	0
201610	\$4,000.01 - \$5,000	0	0
201610	OVER \$5,000	0	0
TOTAL		113,062.33	392
201611	\$1 - \$5	0.05	4
201611	\$5.01 - \$25	436.86	21
201611	\$25.01 - \$50	1,281.14	35
201611	\$50.01 - \$75	2,201.05	36
201611	\$75.01 - \$100	3,006.92	34
201611	\$100.01 - \$200	8,967.45	60
201611	\$200.01 - \$300	22,079.80	79
201611	\$300.01 - \$400	2,515.67	7
201611	\$400.01 - \$500	4,154.55	9
201611	\$500.01 - \$1,000	6,618.71	10
201611	\$1,000.01 - \$2,000	8,120.58	5
201611	\$2,000.01 - \$3,000	15,810.57	5
201611	\$3,000.01 - \$4,000	0	0
201611	\$4,000.01 - \$5,000	0	0
201611	OVER \$5,000	0	0
TOTAL		75,193.30	301
201612	\$1 - \$5	0.09	7
201612	\$5.01 - \$25	295.31	16
201612	\$25.01 - \$50	801.12	22
201612	\$50.01 - \$75	2,236.61	35
201612	\$75.01 - \$100	1,486.84	17
201612	\$100.01 - \$200	7,909.75	55
201612	\$200.01 - \$300	24,602.25	87
201612	\$300.01 - \$400	376.63	1
201612	\$400.01 - \$500	1,792.28	4
201612	\$500.01 - \$1,000	4,224	6
201612	\$1,000.01 - \$2,000	11,726.25	8
201612	\$2,000.01 - \$3,000	25,153.91	8
201612	\$3,000.01 - \$4,000	0	0
201612	\$4,000.01 - \$5,000	0	0
201612	OVER \$5,000	0	0
TOTAL		80,604.71	266

**DISTRIBUTION OF USF RETAIL BILLS
(QUESTION #4)**

PERIOD	RANGE	BILLED	BILLED
201610	\$1 - \$50	161,879.38	4,790
201610	\$50.01 - \$100	639,338.58	8,660
201610	\$100.01 - \$150	683,137.28	5,575
201610	\$150.01 - \$200	525,276.41	3,044
201610	\$200.01 - \$250	346,030.10	1,549
201610	OVER \$250	1,067,268.61	1,816
TOTAL		3,422,930.36	25,434
201611	\$1 - \$50	185,434.53	5,612
201611	\$50.01 - \$100	599,954.11	8,242
201611	\$100.01 - \$150	592,901.43	4,838
201611	\$150.01 - \$200	438,892.88	2,551
201611	\$200.01 - \$250	284,948.63	1,286
201611	OVER \$250	2,550,745.17	1,429
TOTAL		4,652,876.75	23,958
201612	\$1 - \$50	140,843.90	4,166
201612	\$50.01 - \$100	525,176.51	7,107
201612	\$100.01 - \$150	548,612.88	4,472
201612	\$150.01 - \$200	482,026.86	2,785
201612	\$200.01 - \$250	388,209.02	1,737
201612	OVER \$250	1,204,793.68	3,234
TOTAL		3,289,662.85	23,501

Attachment 3

USF ANNUAL STATISTICS -2016
SHARE OF RETAIL BILL PAID FROM ALL SOURCES
(QUESTION #6)

RANGE	#CUSTOMERS
0 - 25%	135
26 - 50%	86
51 - 75%	184
76 - 90%	172
91 - 100%	166
OVER 100%	26,225
TOTAL	26,968

SHARE OF CUSTOMER RESPONSIBILITY PAID
(QUESTION #7)

RANGE	#CUSTOMERS
0 - 25%	11,065
26 - 50%	7,149
51 - 75%	3,997
76 - 90%	1,316
91 - 100%	607
OVER 100%	2,834
TOTAL	26,968

In the Matter of the 2014/2015 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

Service List

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