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March 30, 2018

VIA FEDERAL EXPRESS and
ELECTRONIC MAIL
aida.camacho@bpu.nj.gov
board.secretary@bpu.nj.gov

RECEIVED
CASE MANAGEMENT
APR 03 2018
BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Aida Camacho-Welch
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

RE: Semi-Annual Report Associated With PowerAhead Program Arising Out of Order Approving Stipulation in Connection With Phase II of Atlantic City Electric Company's 2016 Base Rate Case
BPU Docket No. ER16030252

Dear Secretary Camacho-Welch:

By way of follow up to Paragraph 12 of the Order Approving Settlement (dated May 31, 2017) and Paragraph 12 of the Stipulation of Settlement in connection with the above referenced matter, enclosed are an original and ten copies of the "2017 Semi-Annual Status Report of the PowerAhead Program" (the "Report"), dated March 30, 2018. The Report covers the period through December 31, 2017.

Kindly return one date and time-stamped "filed" copy of this correspondence and the Report to the undersigned in the self-addressed, postage-prepaid envelope provided.

Case Mgmt
list copied

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

Respectfully submitted,

/jpr

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

Enclosure

cc: Paul Flanagan, Esquire, BPU (overnight mail and electronic mail)
Noreen M. Giblin, Esquire, BPU (overnight mail and electronic mail)
Grace Strom-Power, Esquire, BPU (overnight mail and electronic mail)
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2017 SEMI-ANNUAL STATUS REPORT OF THE POWERAHEAD PROGRAM

Filed by

ATLANTIC CITY ELECTRIC COMPANY

Pursuant to

The Stipulation of Settlement Executed in Connection With

BPU Docket No. EM16030252

Date of Report: March 30, 2018

atlantic city electric®

An Exelon Company

2017 PA Semi-Annual Status Report Introduction

In accordance with the Stipulation of Settlement (the "Stipulation") executed and adopted in connection with BPU Docket No. EM16030252, Atlantic City Electric Company ("ACE" or the "Company") submits its Semi-Annual Spend Report for the 2017 PowerAhead Program ("PA"). The Stipulation directed ACE to undertake distribution system improvements through 2022, including Structural and Electrical ("S&E") Hardening, Selective Undergrounding, Barrier Island Feeder Ties, Distribution Automation ("T&D Automation" or "DA"), Electronic Fusing, and the New Substation at Harbor Beach. The Stipulation, as approved by the New Jersey Board of Public Utilities (the "Board" or "BPU"), directed that the Company provide: (1) total quantity of work completed, or major tasks completed, for each of the six sub-programs; (2) forecasted and actual PA costs for the reporting period and program-to-date; (3) estimated PA project completion date within each sub-program; (4) performance metrics reports; and (5) any anticipated changes to PA projects.

PowerAhead Program Budget Forecast and 2017 PA Spend

Table 1 indicates the budget forecast for PA for the entire program timeline from 2017 through 2022 as presented in the Stipulation. The budget forecast for 2017 – 2022 was based on the Company's 2016 five-year plan.

Table 1

PA Categories ($ in thousands)	Budget Forecast Based on Stipulation of Settlement			
	Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual	Cumulative Program Spend-to-Date
Capital Budget				
Structural and Electrical Hardening	$24,000.0	$500.0	$15.1	$15.1
Selective Undergrounding	$11,000.0	$100.0	$15.5	$15.5
Barrier Island Feeder Ties	$13,00.00	$700.0	$153.8	$153.8
T&D Automation	$15,000.0	$1,200.0	$428.6	$428.6
Electronic Fusing	$2,000.0	$500.0	$449.9	$449.9
New Substation Harbor Beach	14,000.0	$500.0	$36.3	$36.3
Total	$79,000.0	$3,500.0	$1,099.1	$1,099.1

For 2017, ACE spent $1.1 million with respect to capital spending. The Company anticipates meeting completion dates for all projects in all sub-programs and for spending to increase as sub-program projects move beyond their initial phases.

2017 PA Work Category Status

The 2017 PA work category spend includes the current status of work completed and actuals through the fourth quarter of 2017.

Structural and Electrical Hardening

ACE performed full feeder surveys on the first four feeders as part of PA: Minotola NJ0813, Washington NJ2097, Lambs NJ1215, and Atco NJ0922. These surveys covered approximately 212 miles and 8,365 customers. The surveys have generated 16 project segments targeting the S&E hardening of these feeders. As of the end of 2017, the Minotola NJ0813 scope has been completely designed, the Washington NJ2097 and Lambs NJ1215 scopes were 30 percent designed, and the Atco NJ0922 scope has not yet started. The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$24,000.0	$500.0	$15.1	$15.1	$15.1	$15.1

Variance Explanation:

The original budget in 2017 forecasted that a portion of the Minotola NJ0813 project would be in construction in 2017, which was not achievable because the PowerAhead Program was not approved until summer of 2017. Given the design work that has been prepared for the S&E Hardening Sub-Program, the 2018 workplan will help to rectify the lower-than-anticipated spending in 2017.

Selective Undergrounding

ACE performed focused feeder studies on the first three feeders as part of the PowerAhead Program: Laurel Park NJ0232, Washington NJ2097, and Second Street NJ0213. These surveys scoped approximately 71,300 feet (13.5 miles) of overhead lines for selective undergrounding with 5,890 customers on the feeders. ACE has generated six project segments targeting the selective undergrounding of these feeders. As of the end of 2017, for the Laurel Park NJ0232 project, the Company has completed project design, ordered long lead cable, and developed a bid package. The Washington NJ2097 and Second Street NJ0213 projects were 50 percent and 10 percent designed, respectively, as of the end of 2017. The project work in the sub-program is on target to be completed by 2022.

***Total Cost** ($ in thousands)*

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$11,000.0	$100.0	$15.5	$0.0	$15.5	$15.5

Barrier Island Feeder Ties

ACE performed feeder reviews on the first three feeders as part of the PowerAhead Program: Court NJ0383 – Lake NJ0974, Marven NJ1357 – Pleasantville NJ0426, and Lake NJ0972 – RioGrande NJ0488. This analysis has generated 12 project segments and multiple phases targeting the barrier island ties for these feeders. As of the end of 2017, ACE has designed two of the six planned strengthening segments for the Marven – Pleasantville project, scoped the Lake – RioGrande project's initial underbuild, and packaged the Court – Lake project for engineering design of the tie and express feeder. The project work in the sub-program is on target to be completed by 2022.

***Total Cost** ($ in thousands)*

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$13,000.0	$700.0	$153.8	$127.5	$26.3	$153.8

Variance Explanation:

The original budget in 2017 forecasted that a portion of the barrier tie would be under construction in 2017, but this workplan was not achievable because the PowerAhead Program was not approved until summer of 2017. Given the design work that has been prepared for the Barrier Island Feeder Tie Sub-Program, the 2018 workplan will help to rectify the lower-than-anticipated spending in 2017.

T&D Automation

The T&D Automation Sub-Program has three major sub-program components: DA Reconductoring, DA Recloser/Communication, and DA Substation Upgrades.

For DA Reconductoring, the first two feeder scopes were defined, with the pole-to-pole evaluations of Upper Pittsgrove NJ2352/Glassboro NJ0747 and Lambs NJ1215. This work accounts for four project segments of 61,900 feet (11.7 miles) and covers approximately 6,900 customers. At the end of 2017, the design for these reconductoring project segments is 25 percent complete. The Pitman reconductoring project to upgrade 5,200 feet of 1/0 CU conductor to 477 AAC on NJ1215 to increase the capacity between NJ1215 and NJ0744 was not completed in 2017 and is rescheduled to be completed in the summer of 2018.

For DA Recloser/Communication, the first two substation feeder saturation projects have been defined, relating to Winslow NJ0241-NJ0243 and Churchtown NJ2061. This work accounts for the following recloser inventory: 18 new reclosers, three technology upgrades and 16 communications enablements. As the end of 2017, the design for these reclosers is 50 percent complete.

For DA Substation Upgrades, the first substation was evaluated for design.

***Total Cost** ($ in thousands)*

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$15,000.0	$1,200.0	$428.6	$159.5	$269.1	$428.6

Variance Explanation:

The original budget in 2017 forecasted that a reconductoring segment would be under construction in 2017, but this workplan was not achievable because the PowerAhead Program was not approved until summer of 2017. Given the design work that has been prepared for the Distribution Automation Sub-Program, the 2018 workplan will help to rectify the lower-than-anticipated spending in 2017.

Electronic Fusing

ACE installed 66 TripSavers across 23 feeders as part of the Electronic Fusing sub-Program (NJ0061, NJ0062, NJ0146, NJ0182, NJ0186, NJ0202, NJ0203, NJ0211, NJ0213, NJ0216, NJ0383, NJ0474, NJ0481, NJ0698, NJ0973, NJ0982, NJ0991, NJ0993, NJ1311, NJ1312, NJ1463, NJ1983 and NJ1984). As of the end of 2017, the next phase of TripSavers were being evaluated for selection for installation in 2018. The project work in the sub-program is on target to be completed by 2022.

***Total Cost** ($ in thousands)*

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$2,000.0	$500.0	$449.9	$209.4	$240.5	$449.9

New Substation: Harbor Beach

The focus for 2017 was the transmission and substation side of the project as the transmission routing was critical to the entire project design. The final routing and substation design packages are being completed in the first quarter of 2018 as some of the milestones on this project begin to be completed.

***Total Cost** ($ in thousands)*

Original Forecast	Jul. – Dec. 2017 Budget	Jul. – Dec. 2017 Actual Spend	Jul. – Dec. 2017 Materials Spend.	Jul. – Dec. 2017 Other Spend	Cumulative Program Spend
$14,000.0	$500.0	$36.3	$0.0	$36.3	$36.3

Variance Explanation:

The original budget in 2017 forecasted more distribution design to be completed in 2017, which was not achievable because the PowerAhead Program was not approved until summer of 2017, and the Company was focused on the project's transmission aspects.

Performance Metrics by Feeder

As part of the Order adopting the Stipulation, during major events ACE will report reliability indices for feeders being improved under PA, specifically, customer minutes interrupted ("CMI") and customer average interruption duration index ("CAIDI"). During the second half of 2017, ACE had one major event, a rain and wind storm occurring on October 24, 2017. The following table reflects the reliability indices for that major event.

Five-Year Average Storm Performance			Jul. - Dec. 2017 Storm Performance		Cumulative Storm Performance	
Feeder	CMI	CAIDI	CMI	CAIDI	CMI	CAIDI
NJ0146	1,502,526	922	4,322	108	4,322	108
NJ0151	353,305	195	N/A	N/A	N/A	N/A
NJ0152	414,375	86	N/A	N/A	N/A	N/A
NJ0153	139,742	80	N/A	N/A	N/A	N/A
NJ0154	446,469	283	N/A	N/A	N/A	N/A
NJ0213	68,669	160	298	23	298	23
NJ0232	221,657	210	5,382	489	5,382	489
NJ0241	701,198	441	437	218	437	218
NJ0242	1,449,203	852	1,102	551	1,102	551
NJ0243	1,792,557	394	3,079	342	3,079	342
NJ0244	1,093,004	371	2,141	195	2,141	195
NJ0383	299,334	524	5,442	218	5,442	218
NJ0423	122,820	335	56	56	56	56
NJ0424	42,663	317	N/A	N/A	N/A	N/A
NJ0426	3,090	474	215	215	215	215
NJ0488	130,245	188	90	90	90	90
NJ0551	136,575	479	N/A	N/A	N/A	N/A
NJ0671	45,977	440	67,671	657	67,671	657
NJ0745	2,038,498	474	882,899	188	882,899	188
NJ0747	1,093,913	499	84,896	313	84,896	313
NJ0813	997,211	318	92,009	281	92,009	281
NJ0922	2,402,535	698	2,024	1,012	2,024	1,012

Five-Year Average Storm Performance			Jul. - Dec. 2017 Storm Performance		Cumulative Storm Performance	
Feeder	CMI	CAIDI	CMI	CAIDI	CMI	CAIDI
NJ0972	207,102	440	N/A	N/A	N/A	N/A
NJ0974	1,192,001	396	N/A	N/A	N/A	N/A
NJ0982	1,650	156	N/A	N/A	N/A	N/A
NJ0983	57,527	335	N/A	N/A	N/A	N/A
NJ0985	45,816	319	N/A	N/A	N/A	N/A
NJ1192	215,642	593	2,565	92	2,565	92
NJ1215	3,745,367	790	254,059	131	254,059	131
NJ1324	1,834	57	N/A	N/A	N/A	N/A
NJ1325	5,779	187	N/A	N/A	N/A	N/A
NJ1326	254,706	177	N/A	N/A	N/A	N/A
NJ1327	17,897	385	N/A	N/A	N/A	N/A
NJ1328	138,953	285	N/A	N/A	N/A	N/A
NJ1329	236,877	354	80	80	80	80
NJ1357	181,658	385	N/A	N/A	N/A	N/A
NJ1634	27,257	259	186	31	186	31
NJ2061	710,091	448	15,265	268	15,265	268
NJ2062	920,729	326	952	952	952	952
NJ2097	4,380,570	973	N/A	N/A	N/A	N/A
NJ2352	220,375	1,066	12,331	649	12,331	649
NJ2391	75,277.57	214	267	33	267	33
NJ2392	25,139.45	348	N/A	N/A	N/A	N/A
NJ2393	95,254.26	400	N/A	N/A	N/A	N/A

Note: Performance metrics for the sub-Program Electronic Fuses are not included in this list because the devices themselves cannot be measured for CAIDI or CMI, only whether they operated or did not operate during a storm, which ACE will be reporting as of the next Semi-Annual Status Report. ACE was not able to obtain this data for storms in the second half of 2017 because it must be collected manually at the device, and weather during the first quarter prevented this work order. ACE will report this 2017 fuse data in the next Semi-Annual Status Report.