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**RECEIVED  
CASE MANAGEMENT**

September 20, 2018

**VIA FEDERAL EXPRESS and  
ELECTRONIC MAIL**

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[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**SEP 21 2018  
BOARD OF PUBLIC UTILITIES  
TRENTON, NJ**

**RECEIVED  
MAIL ROOM**

**SEP 21 2018**

**BOARD OF PUBLIC UTILITIES  
TRENTON, NJ**

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

**RE:** In the Matter of the Implementation of L. 2018, c. 16 Regarding the  
Establishment of a Zero Emission Certificate Program for Eligible  
Nuclear Power Plants  
BPU Docket No. EO18080899

In the Matter of the Application of Atlantic City Electric Company for Approval  
to Implement a Zero Emission Certificate ("ZEC") Charge and Tariff Page(s)  
Related Thereto in Support of the ZEC Program Authorized by N.J.S.A. 48:3-87.3  
et seq. and a Board Order Initiating the ZEC Program, Dated August 29, 2018  
BPU Docket No. EO18091003

Dear Secretary Camacho-Welch:

The undersigned is Assistant General Counsel to Atlantic City Electric Company ("ACE" or the "Company") in connection with the above docketed matters. Please accept this letter filing in lieu of a more formally styled Petition in connection with the above referenced matter(s).

By Order dated August 29, 2018, ACE was directed by the New Jersey Board of Public Utilities (the "Board" or "BPU") to file a tariff with the Board, seeking BPU's approval to recover from ACE's retail distribution customers a ZEC charge in the amount of \$0.004 per kilowatt-hour<sup>1</sup> in accordance with legislation that was signed into law by Governor Philip D. Murphy on May 23, 2018. The legislation, L. 2018, c. 16 (C. 48:3-87.3 to 48:3-87.7) (herein, the "Act"), established a ZEC Program to provide ratepayer-funded subsidies for New Jersey's nuclear energy supply, in order to preserve the fuel diversity, air quality, and other environmental attributes of nuclear energy. An eligible nuclear energy generator seeking to participate in the ZEC Program must submit an application to the Board demonstrating that it

<sup>1</sup> The ZEC charge in the amount of \$0.004 per kilowatt hour does not include the application of New Jersey Sales and Use Tax.

*CMS*  
B. Romaine  
DAG  
RPA

T. Walker  
K. Nedza  
S. Peterson

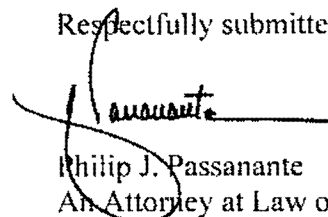
In light of the requirements of the Act and the directives embodied in the ZEC Order, the Company respectfully requests that the Board issue an Order as follows:

- A. finding that the Company is authorized to implement the Zero Emission Certificate Recovery Charge at the level set forth in this filing, in the Act, and as approved by the Board in its August 29, 2018 ZEC Order; and
- B. for such other or further relief as the Board may deem just and reasonable.

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

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

Enclosure

cc: Honorable Joseph L. Fiordaliso, President, BPU

ATLANTIC CITY ELECTRIC COMPANY  
BPU NJ No. 11 Electric Service - Section IV

Original Sheet No. xxx

**ZERO EMISSION CERTIFICATE ("ZEC")  
RECOVERY CHARGE**

The New Jersey Board of Public Utilities issued a Zero Emission Certificate Charge Order in connection with BPU Docket No. EO18080899 and BPU Docket No. EO18091003 (the "ZEC Order"), authorizing implementation of a non-bypassable, irrevocable charge of 0.004 dollars per kWh (the "ZEC Charge"). The ZEC Charge reflects the emission avoidance benefits of the continued operation of selected nuclear plants. The ZEC Charge has been set and will be adjusted periodically, in accordance with the methodology approved in the ZEC Order.

The ZEC Charge shall be applied to the kWh usage on the bills of all customers served under this Schedule. The ZEC Charge to be effective on and after the date indicated below shall be set at 0.004265 dollars per kWh, including sales and use tax ("SUT").

On or about September 1 of each year, the Company shall file with the New Jersey Board of Public Utilities the ZEC Charge to be effective for the 12 month period commencing October 1. The ZEC Charge shall be set to recover the coming period's ZEC costs and any prior period over-or under-recovered balances, including interest.

The ZEC Charge to be effective on and after the date indicated below is as follows:

Rate Component (\$ per kWh)		
	<u>Excluding SUT</u>	<u>Including SUT</u>
ZEC Charge	0.004000	0.004265
ZEC Reconciliation Charge	0.000000	0.000000
Total ZEC Charge	0.004000	0.004265

Date of Issue:

Effective Date:

Issued by:

**NOTICE TO  
ATLANTIC CITY ELECTRIC COMPANY  
CUSTOMERS**

**Notice of Filing and Public Hearings**

**BPU Docket Nos. EO18080899 and EO18091003**

**PLEASE TAKE NOTICE** that, by Order dated August 29, 2018, Atlantic City Electric Company ("ACE" or the "Company") was directed by the New Jersey Board of Public Utilities (the "Board" or "BPU") to file a Tariff with the Board, seeking BPU's approval to recover from ACE's retail distribution customers a Zero Emission Certificate ("ZEC") charge in the amount of \$0.004 per kilowatt-hour, before the application of Sales and Use Tax ("SUT"), in accordance with legislation that was signed into law by Governor Philip D. Murphy on May 23, 2018. The legislation, L. 2018, c. 16 (C. 48:3-87.3 to 48:3-87.7), established a ZEC Program to provide ratepayer-funded subsidies for New Jersey's nuclear energy supply, in order to preserve the fuel diversity, air quality, and other environmental attributes of nuclear energy. An eligible nuclear energy generator seeking to participate in the ZEC Program must submit an application to the Board demonstrating that it meets certain qualifications. If the Board approves the application and the nuclear energy generator is selected to participate in the ZEC Program, then each New Jersey electric distribution company is mandated by the State to purchase ZECs and must recover its procurement of ZECs through a non-bypassable charge (the "ZEC charge") in the amount of \$0.004 per kilowatt-hour.

The illustrative chart below shows the estimated bill impact of the ZEC charge for each rate class, although the actual effect on specific ACE customers will vary according to the applicable rate schedule and the individual customer's usage. Any assistance required by customers in this regard will be furnished by the Company upon request.

Residential (RS)	2.37%
Monthly General Service Secondary (MGSS)	2.05%
Monthly General Service Primary (MGSP)	2.85%
Annual General Service Secondary (AGSS)	0.00%
Annual General Service Primary (AGSP)	0.00%
Transmission General Service (TGS)	0.00%
Direct Distribution Connection (DDC)	3.60%
Street Lighting (SPL/CSL)	Varies by Fixture

Copies of ACE's tariff proposal are available for inspection at its regional headquarters, 5100 Harding Highway, Mays Landing, New Jersey 08330, and at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Box 350, Trenton, New Jersey 08625, during normal business hours, 9:00 A.M. - 4:30 P.M., Monday through Friday. A copy of the filing is also available on the Company's website at [www.atlanticcityelectric.com/Pages/PublicPostings.aspx](http://www.atlanticcityelectric.com/Pages/PublicPostings.aspx).



In the Matter of the Implementation of L. 2018, c. 16 Regarding the Establishment of a Zero Emission Certificate Program  
for Eligible Nuclear Power Plants Order Initiating the Zero Emission Certificate Program, Designating  
Commissioner, Setting Manager of Service  
BPU Docket No. EO18080899

In the Matter of the Application of Atlantic City Electric Company for Approval to Implement a Zero  
Emission Certificate ("ZEC") Charge and Tariff Page(s) Related Thereto in Support of the ZEC  
Program Authorized by N.J.S.A. 48:3-87.3 et seq. and a Board Order Initiating the ZEC Program, Dated August 29, 2018  
BPU Docket No. EO18091003

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