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October 23, 2020

**VIA ELECTRONIC MAIL**

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Aida Camacho-Welch  
Secretary of the Board  
Board of Public Utilities  
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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 the above referenced matter.

Attached hereto is the Company’s filing in accordance with the Board of Public Utilities’  
Order in the above referenced docket, dated April 18, 2019.

In the legislation establishing the Zero Emissions Certificate Recovery Charge (“ZECRC”) the New Jersey Electric Distribution Companies (“EDCs”) were directed to return excess monies in each EDC’s separate, interest bearing account to its retail distribution customers at the end of each energy year. In this filing, ACE is proposing to refund the excess collections from Energy Year 2019 (the “stub period”) and Energy Year 2020.

The Company is proposing to refund the excess ZECRC collection and corresponding interest over a 12-month period commencing January 1, 2021 through the previously established ZEC

Aida Camacho-Welch

October 23, 2020

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Reconciliation Charge Rate, which is a component of the ZECRC and currently set at zero. The proposed ZEC Reconciliation Charge Rate is (\$0.000166) per kilowatt-hour including New Jersey Sales and Use Tax. The Company will monitor the ZECRC excess collection balance and, as it approaches zero, proposes to make a filing at the Board at least 30 days in advance of ACE's intention to implement the rate change in the ZEC Reconciliation Charge Rate to zero. Any excess balance remaining at that point will be included in the Company's next ZEC Reconciliation Charge Rate filing.

This filing includes the following:

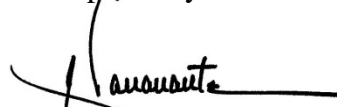
- **Attachment A** – calculation of the Zero Emission Certificate Reconciliation Charge Rate; and
- **Attachment B** – proposed and red-lined versions of electric tariff sheets.

Please note that the tariff sheets have been updated to reflect the rates in \$ per kWh for consistency purposes with how other rates are shown in ACE's Tariff.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Thank you for your attention in this matter. Feel free to contact me with any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Passanante", with a long horizontal line extending to the right.

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

Enclosure

cc: Service List

# Attachment A

Atlantic City Electric Company  
 Zero Emission Certificate Reconciliation Charge  
 January 1, 2021 - December 31, 2021

ZEC Reconciliation Charge

EY 2019 Over-Recovered Amount - Stub Period Ending May 31, 2019	\$ (37,861.11)
EY 2019 Interest through December 2020 - Stub Period Ending May 31, 2019	\$ (821.29)
EY 2020 Over-Recovered Amount - Period Ending May 31, 2020	\$ (1,276,420.37)
EY 2020 Interest through December 2020 - Period Ending May 31, 2020	\$ (13,686.12)
Total Over-Recovery to be returned	<u>\$ (1,328,788.88)</u>

Forecasted Delivered Sales - Calendar Yr 2021	8,516,260,845
\$/KWH ZEC Reconciliation Charge	\$ (0.000156)
\$/KWH ZEC Reconciliation Charge with SUT	<u><u>\$ (0.000166)</u></u>

Proposed Total ZEC Charge

ZEC Charge	\$ 0.004000
ZEC Reconciliation Charge	\$ (0.000156)
Total ZEC Charge	<u>\$ 0.003844</u>
Total ZEC Charge with SUT	<u><u>\$ 0.004099</u></u>

### ACE Zero Emission Certificate Recovery Charge Interest Calculation on Over collection Energy Year 2019

[illegible]

**ACE Zero Emission Certificate Recovery Charge  
Interest Calculation on Over collection  
Energy Year 2020**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				<u>ZEC Revenue</u>		<u>Interest On ZEC</u>					<u>Over / (Under)</u>
			<u>Cumulative ZEC</u>	<u>Average Monthly</u>	<u>Interest Rate</u>	<u>Revenue Average</u>	<u>ZEC Interest</u>		<u>ZEC Purchase</u>		<u>Recovery Ending</u>
Month	<u>ZEC Revenues</u>	<u>ZEC Payments</u>	<u>Revenues</u>	<u>Balance</u>	<u>(Annualized)</u>	<u>Monthly Balance</u>	<u>Payments</u>	<u>Cumulative Interest</u>	<u>Accrual</u>	<u>Over / (Under) Recovery</u>	<u>Balance</u>
June 2019	\$ 3,241,168	\$ -	\$ 3,241,168	\$ 3,241,168	2.57%	\$ 3,470	\$ -	\$ 3,470	\$ 2,416,785.18	\$ 824,383	\$ 824,383
July 2019	\$ 4,304,530	\$ -	\$ 7,545,698	\$ 5,393,433	2.53%	\$ 11,375	\$ -	\$ 14,845	\$ 3,077,083.08	\$ 1,227,447	\$ 2,051,830
August 2019	\$ 3,986,193	\$ -	\$ 11,531,891	\$ 9,538,794	2.30%	\$ 18,283	\$ -	\$ 33,127	\$ 2,819,823.97	\$ 1,166,369	\$ 3,218,198
September 2019	\$ 3,097,013	\$ -	\$ 14,628,904	\$ 13,080,397	2.28%	\$ 24,814	\$ -	\$ 57,941	\$ 2,837,411.29	\$ 259,602	\$ 3,477,800
October 2019	\$ 2,620,231	\$ -	\$ 17,249,135	\$ 15,939,020	2.09%	\$ 27,726	\$ -	\$ 85,668	\$ 2,493,670.47	\$ 126,561	\$ 3,604,361
November 2019	\$ 2,283,032	\$ -	\$ 19,532,167	\$ 18,390,651	1.80%	\$ 27,537	\$ -	\$ 113,205	\$ 2,365,447.50	\$ (82,416)	\$ 3,521,945
December 2019	\$ 2,758,812	\$ -	\$ 22,290,979	\$ 20,911,573	1.86%	\$ 32,380	\$ -	\$ 145,585	\$ 3,251,306.68	\$ (492,495)	\$ 3,029,450
January 2020	\$ 2,726,255	\$ -	\$ 25,017,234	\$ 23,654,106	1.74%	\$ 34,325	\$ -	\$ 179,910	\$ 3,259,423.72	\$ (533,169)	\$ 2,496,282
February 2020	\$ 2,422,903	\$ -	\$ 27,440,137	\$ 26,228,685	1.74%	\$ 37,959	\$ -	\$ 217,868	\$ 2,892,694.83	\$ (469,792)	\$ 2,026,490
March 2020	\$ 2,274,037	\$ -	\$ 29,714,173	\$ 28,577,155	2.95%	\$ 70,334	\$ -	\$ 288,202	\$ 2,321,245.90	\$ (47,209)	\$ 1,979,280
April 2020	\$ 2,125,722	\$ -	\$ 31,839,895	\$ 30,777,034	1.27%	\$ 32,666	\$ -	\$ 320,868	\$ 2,420,881.66	\$ (295,160)	\$ 1,684,120
May 2020	\$ 2,178,415	\$ -	\$ 34,018,310	\$ 32,929,102	0.40%	\$ 10,984	\$ -	\$ 331,853	\$ 2,586,115.04	\$ (407,700)	\$ 1,276,420
June 2020	\$ -	\$ -	\$ 34,018,310	\$ 34,018,310	0.25%	\$ 7,035	\$ -	\$ 338,888	\$ -	\$ -	\$ 1,276,420
July 2020	\$ -	\$ -	\$ 34,018,310	\$ 34,018,310	0.15%	\$ 4,252	\$ -	\$ 343,140	\$ -	\$ -	\$ 1,276,420
August 2020	\$ -	\$ -	\$ 34,018,310	\$ 34,018,310	0.15%	\$ 3,724	\$ -	\$ 346,864	\$ -	\$ -	\$ 1,276,420
September 2020	\$ -	\$ (32,741,889)	\$ 1,276,420	\$ 1,276,420	0.15%	\$ 163	\$ (333,830)	\$ 13,198	\$ -	\$ -	\$ 1,276,420
October 2020	\$ -	\$ -	\$ 1,276,420	\$ 1,276,420	0.15%	\$ 163	\$ -	\$ 13,360	\$ -	\$ -	\$ 1,276,420
November 2020	\$ -	\$ -	\$ 1,276,420	\$ 1,276,420	0.15%	\$ 163	\$ -	\$ 13,523	\$ -	\$ -	\$ 1,276,420
December 2020	\$ -	\$ -	\$ 1,276,420	\$ 1,276,420	0.15%	\$ 163	\$ -	\$ 13,686	\$ -	\$ -	\$ 1,276,420

Electric Retail Sales Forecast

ACE - NJ	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	
<b><u>Distribution MWH - Rate Class</u></b>													
RS	350,892	332,748	300,316	234,324	206,516	271,384	451,897	498,524	478,410	226,906	193,998	280,870	
MGS Secondary	101,763	94,663	103,683	89,415	95,188	102,185	124,043	130,623	133,474	93,194	95,057	92,553	
MGS Primary	2,212	2,011	1,934	1,930	2,053	2,170	2,454	2,218	2,318	2,099	2,109	2,063	
AGS Secondary	142,568	132,200	142,328	125,166	133,245	142,735	171,632	177,360	181,701	131,251	133,562	130,129	
AGS Primary	46,052	42,373	43,695	40,330	42,921	45,735	53,705	52,862	54,532	42,920	43,448	42,403	
TGS	86,032	79,236	82,156	75,366	80,211	85,526	100,731	99,779	102,837	80,061	81,097	79,129	
SPL/CSL	6,343	5,721	5,717	4,896	4,931	5,008	5,251	5,468	5,651	5,670	6,113	6,131	
DDC	1,143	1,065	1,172	1,005	1,070	1,150	1,399	1,481	1,512	1,046	1,067	1,039	
	737,005	690,017	681,000	572,431	566,136	655,893	911,112	968,315	960,435	583,147	556,452	634,318	8,516,261

# Attachment B



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

**Revised Sheet Replaces Sheet No. 67**

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

**APPLICABILITY:** The Zero Emission Certificate Recovery Charge ("Rider ZEC" or "ZEC Charge") provides a charge for the recovery of costs associated with the Zero Emission Certificate Program directed by the Board of Public Utilities ("BPU" or "Board") as detailed below. The ZEC Charge is applicable to all kWh usage of any Full Service Customer or Delivery Service Customer.

Rate Component (\$ per kWh)

	<u>Excluding SUT</u>	<u>Including SUT</u>
ZEC Charge	\$0.004000	\$0.004265
ZEC Reconciliation Charge	\$(0.000156)	\$(0.000166)
Total ZEC Charge	\$0.003844	\$0.004099

Pursuant to the BPU's Zero Emission Certificate Charge Order dated November 19, 2018 in BPU Docket No. EO18091003, the Board approved the implementation of a non-bypassable, irrevocable ZEC Charge of \$0.004000 per kWh for all customers. The ZEC Charge reflects the emission avoidance benefits of the continued operation of selected nuclear plants as determined in L. 2018, c. 16 (the "ZEC Law"). The ZEC Charge has been set at the rate specified in the ZEC Law and may be adjusted periodically by the Board, in accordance with the methodology provided for in the ZEC Law.

In accordance with the ZEC Law, the proceeds of the ZEC Charge will be placed in a separate, interest-bearing account and will be used solely to purchase ZECs and to reimburse the Board for its reasonable, verifiable costs incurred to implement the ZEC program. Refunds will be provided to the customers served under each of the Company's rate schedules in proportion to the ZEC Charge revenues contributed by the rate schedule.

The ZEC Charge will become effective upon the issuance of the April 2019 Board Order in BPU Docket No. EO18080899.

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**Date of Issue:**

**Effective Date:**

**Issued by:**

ATLANTIC CITY ELECTRIC COMPANY  
BPU NJ No. 11 Electric Service - Section IV  
Revised Sheet Replaces Sheet No. 67

Original

ZERO EMISSION CERTIFICATE ("ZEC")  
RECOVERY CHARGE

**APPLICABILITY:** The Zero Emission Certificate Recovery Charge ("Rider ZEC" or "ZEC Charge") provides a charge for the recovery of costs associated with the Zero Emission Certificate Program directed by the Board of Public Utilities ("BPU" or "Board") as detailed below. The ZEC Charge is applicable to all kWh usage of any Full Service Customer or Delivery Service Customer.

Rate Component ~~(\$~~ per kWh)

	<u>Excluding SUT</u>	<u>Including SUT</u>
ZEC Charge	<del>\$0.4000004000</del>	<del>\$0.4265004265</del>
ZEC Reconciliation Charge	<del>\$(0.0000000156)</del>	<del>\$(0.0000000166)</del>
Total ZEC Charge	<del>\$0.4000003844</del>	<del>\$0.4265004099</del>

Pursuant to the BPU's Zero Emission Certificate Charge Order dated November 19, 2018 in BPU Docket No. EO18091003, the Board approved the implementation of a non-bypassable, irrevocable ZEC Charge of \$0.004000 per kWh for all customers. The ZEC Charge reflects the emission avoidance benefits of the continued operation of selected nuclear plants as determined in L. 2018, c. 16 (the "ZEC Law"). The ZEC Charge has been set at the rate specified in the ZEC Law and may be adjusted periodically by the Board, in accordance with the methodology provided for in the ZEC Law.

In accordance with the ZEC Law, the proceeds of the ZEC Charge will be placed in a separate, interest-bearing account and will be used solely to purchase ZECs and to reimburse the Board for its reasonable, verifiable costs incurred to implement the ZEC program. Refunds will be provided to the customers served under each of the Company's rate schedules in proportion to the ZEC Charge revenues contributed by the rate schedule.

The ZEC Charge will become effective upon the issuance of the April 2019 Board Order in BPU Docket No. EO18080899.

Date of Issue: ~~April 18, 2019~~Effective Date: ~~April 18, 2019~~

~~Issued by: David M. Velazquez, President and Chief Executive Officer – Atlantic City Electric Company~~  
~~Filed pursuant to Board of Public Utilities of the State of New Jersey directives associated with the BPU~~  
~~Docket No. EO18091003~~

Issued by:

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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