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**PRESENTED BY BRIAN WEEKS
DEPUTY RATE COUNSEL
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**In the Matter of the Verified Petition of Atlantic City Electric Company for
Review and Approval of Increases in and Other Adjustments to Its Rates and
Charges for Electric Service, and For Approval of Other Proposed Tariff
Revisions in Connection Therewith
("2020 Base Rate Filing")**

**BPU DOCKET NO. ER20120746
OAL DOCKET NO. PUC 00284-2021S**

**PUBLIC HEARINGS
Before Administrative Law Judge Jacob Gertsman
On Line and By Phone
Thursday, May 20, 2021
4:30 PM and 5:30 PM**

**May 20, 2021, 4:30 p.m.
Dial-in Number: (646) 558-8656 or (301) 715-8592
For both Zoom and Dial-In:
Meeting ID: 851 0648 1958 #
Passcode: 231604 #**

**May 20, 2020, 5:30 p.m.
Dial-in Number: (646) 558 8656 or (301) 715-8592
For both Zoom and Dial-In:**

Meeting ID: 851 0648 1958 #
Passcode: 231604 #

Good afternoon/evening. My name is Brian Weeks and I am a Deputy Rate Counsel appearing on behalf of the New Jersey Division of Rate Counsel. Our office was created by the New Jersey Legislature to represent ratepayers in cases involving public utility service.

Atlantic City Electric Company¹ filed a Petition (“Base Rate Petition”) with the New Jersey Board of Public Utilities² on December 9, 2020 requesting an increase in the Company’s electric base rates of approximately \$71.8 million annually, including sales and use tax. ACE subsequently updated its Base Rate Petition. The ACE filing, based on a test year ending December 31, 2020, provided nine months of actual data and three months of forecasted data (“9+3 filing”). Subsequently, on February 26, 2021, ACE filed twelve months of actual data through December 31, 2020 (“12+0 update”), and modified its proposed annual increase in base rates to approximately \$71.3 million.

The Company’s Base Rate Petition also requested: 1) revisions to certain terms and conditions of its existing tariff; 2) a proposed Economic Rate Relief Rider (“Rider ERR”) to temporarily delay the proposed rate increase for a period of four (4) months and subsequently be recovered from customers over a two (2)-

¹ “ACE” or “the Company”.

² “Board” or “BPU”.

year period; and 3) the creation of regulatory assets to capture the costs of the Company's proposed solar hosting initiative and certain tax accounting matters. In addition, the Company proposes to increase the customer charge from \$5.77 to \$7.00, an increase of \$1.23 a month.

The proposed base rate increase, according to the Company, is required to operate and maintain its electric distribution systems in a safe, adequate, proper and reliable manner as required by law. Based on the Company's updated filing, a typical residential electric customer using 680 kilowatt-hours per month would see their monthly bill increase \$8.99, or 6.67% from \$136.06 to \$144.69 a month in Winter and from \$132.42 to \$142.12 in Summer. The Company states that collection of the proposed Rider ERR, totaling \$20.4 million of the proposed rate increase, be put on hold through December 31, 2021 and classified as customer rate offsets that will be collected through rates starting in February of 2022.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of the Company's filing may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board's decision.

Present electric rates will remain in effect until new rates are approved by the Board. Copies of the Company's Petition and supporting documents filed with the Board showing proposed increases in electric rate schedules for all classes of customers are available for review on ACE's web site at www.atlanticcityelectric.com/PublicPostings.

Our office is conducting a complete review of the Company's Base Rate Petition, based on the information supplied and updated by the Company. We have retained the services of expert consultants to assist us in our review. Rate Counsel's inquiry is focused on the critical issues of whether the amount of the proposed increase is necessary, ensuring that ratepayers pay the lowest reasonable rates while receiving safe, reliable and proper service. The Board will make the final decision regarding the filing.

The purpose of this hearing is for you, the customer, to voice your opinion and offer comments about these matters. It is important that you express your views so they may become part of the record on which the Board makes its decision. Rate Counsel also needs to hear your views. Your active participation is strongly encouraged to help in our evaluation of the Company's proposals.

This hearing is being transcribed and your comments will become part of the record. I would like to reiterate the importance of your participation so that Rate Counsel can have a clear record of your concerns and interests.

On behalf of Rate Counsel, please know that we will work diligently to represent your interests throughout this proceeding. Thank you for attending today's hearing.