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An Exelon Company

August 28, 2020

VIA ELECTRONIC MAIL
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Aida Camacho-Welch
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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 for filing is the "2020 Semi-Annual Status Report of the PowerAhead Program" (the "Report"), dated August 27, 2020. The Report covers the period through June 30, 2020.

Consistent with the Order issued by the New Jersey Board of Public Utilities (the "Board" or "BPU") 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 cooperation and courtesies. Feel free to contact the undersigned with any questions.

Respectfully submitted,

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

Enclosure

cc: Paul Flanagan, Esquire, BPU
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2020 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. ER16030252

Date of Report: August 28, 2020

atlantic city electric®

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2020 PA Semi-Annual Status Report Introduction

In accordance with the Stipulation of Settlement (the "Stipulation") executed and adopted in connection with BPU Docket No. ER16030252, Atlantic City Electric Company ("ACE" or the "Company") submits its Semi-Annual Status Report for the 2020 PowerAhead Program ("PA"). The Stipulation authorized ACE to undertake distribution system improvements through 2022, including Structural and Electrical ("S&E") Hardening, Selective Undergrounding, Barrier Island ("BI") Feeder Ties, Distribution Automation ("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 2020 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	Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual	Cumulative Program Spend-to-Date
	Capital Budget				
Structural and Electrical Hardening	$24,000.0	$23,068.0	$2,748.2	$1,690.1	$12,969.5
Selective Undergrounding	$11,000.0	$11,000.0	$4,312.1	$3,740.6	$5,013.2
Barrier Island Feeder Ties	$13,000.0	$13,000.0	$214.5	$382.3	$8,944.8
Distribution Automation	$15,000.0	$15,932.0	$3,650.0	$4,594.2	$14,946.9
Electronic Fusing	$2,000.0	$2,000.0	$7.4	$0.0	$2,060.0
New Substation Harbor Beach	14,000.0	14,000.0	$286.7	$525.8	$2,441.7
Total	$79,000.0	$79,000.0	$11,191.9	$10,933.0	$46,376.1

For the first half of 2020, ACE spent $10.9 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.

2020 PA Work Category Status

The 2020 PA work category spend includes the current status of work completed and actuals through the end of June 2020.

Structural and Electrical Hardening

Through the end of the second quarter, ACE has completed four of the five projects for Lake NJ0972 and the remaining project on Fairton NJ0671. Final design has been completed for Pleasantville South NJ0424 and Winslow NJ0242. Ship Bottom Bay NJ0556, Ontario Chelsea NJ0696, Scull Steel NJ1632, and Rio Grande Villas NJ0487 are still in design. All reconductoring and feeder improvement work was completed on Minotola NJ0813, Atco NJ0922, Washington NJ2097 and Lamb NJ1215 feeders prior to 2020. Through the end of the second quarter 2020, ACE has completed construction on five of the 12 selected feeders. The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$23,068.0	$2,748.2	$1,690.1	$243.3	$1,446.8	$1,2969.5

Variance Explanation:

ACE has experienced delays in construction for this sub-program.

Selective Undergrounding

ACE is currently performing work on two feeders as part of the PA Program: Washington NJ2097 and Egg Harbor Elwood NJ0146. By the end of the second quarter 2020, ACE completed construction on two of the three projects associated with Washington NJ2097. ACE is performing construction on the Egg Harbor Elwood NJ0146 feeder and has completed one of two projects. The second project is on-target for completion in the third quarter. The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$11,000.0	$4,312.1	$3,740.6	$313.1	$3,427.5	$5,013.2

Variance Explanation:

ACE has experienced delays in construction for this sub-program but expects to complete the budgeted spend in the second half of 2020.

Barrier Island Feeder Ties

ACE is currently performing work on two feeder ties as part of the PA Program: Marven NJ1357 – Pleasantville NJ0426 and Lake NJ0972 – Rio Grande NJ0488. This analysis has generated 10 project segments and multiple phases targeting the barrier island ties for these feeders. For the Marven NJ1357 – Pleasantville NJ0426 tie, five of seven sections have been completed, with the remaining sections under final engineering design. For the Lake NJ0972 – Rio Grande NJ0488 tie, the three sections are undergoing permitting and final design. Project work on the Court NJ0383 – Lake NJ0974 was completed prior to 2020. The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$13,000.0	$214.5	$382.3	$12.2	$370.1	$8,944.8

Distribution Automation

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

For DA Reconductoring, ACE has completed seven of the nine projects. Prior to 2020, ACE completed work on the Northfield NJ0424, Linwood NJ0423, Lamb NJ1215, Upper Pittsgrove NJ2352, Glassboro NJ0747, Searstown NJ0985, and NJ0982 segment of the Northfield project.

For DA Recloser/Communication, the Barnegat/Cedar/Motts Farm project has 55 of the 56 reclosers completed and in-service along with 34 of the 36 communications devices and will be completed in the second half of 2020. Prior to 2020, the Winslow NJ0241-NJ0243 and Churchtown NJ2061 projects, which include 17 new reclosers, four technology upgrades, and 59 communications enablement, were completed with automatic circuit reclosers fully communicating.

For DA Substation Upgrades, the Churchtown Substation upgrades was completed in the first half of 2020. The Beckett Substation is still in design and will begin construction in fall 2020 along with the Winslow Substation upgrade.

The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$15,932.0	$3,650.0	$4,594.2	$2,713.8	$1,880.4	$14,946.9

Variance Explanation:

The Long-Range Planning Budget was adjusted downward in the beginning of 2020, though work scope could not be correspondingly adjusted downward, accounting for the variance. Ultimately, the Company was able to provide funding resources to complete the anticipated project work.

Electronic Fusing

ACE has exceeded the original target of 200 Trip Savers across 56 feeders as part of the Electronic Fusing Sub-Program and has completed the work for this sub-program.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$2,000.0	$7.4	$0	$0	$0	$2,060.0

New Substation: Harbor Beach

ACE is currently is currently reviewing bids for the Harbor Beach projects. The project work in the sub-program is on target to be completed by 2022.

Total Cost ($ in thousands)

Revised Forecast	Jan. – June 2020 Budget	Jan. – June 2020 Actual Spend	Jan. – June 2020 Materials Spend	Jan. – June 2020 Other Spend	Cumulative Program Spend
$14,000.0	$286.7	$525.8	$372.9	$152.9	$2,441.7

Variance Explanation:

Spending has increased after the sub-program had been underspent in the second half of 2019 and will continue to increase during the remaining sub-program timeframe.

Performance Metrics by Feeder[1]

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 first half of 2020, ACE had two major events. The following table reflects the reliability indices for the cumulative performance for the duration of this program.

Five-Year Average Storm Performance			Jan. - Jun. 2020 Storm Performance		Cumulative Storm Performance	
Feeder	CMI	CAIDI	CMI	CAIDI	CMI	CAIDI
NJ0146	1,502,526	922	821,149	383	2,572,020	420
NJ0151	353,305	195	40,869	265	83,524	277
NJ0152	414,375	86	388,117	168	539,104	122
NJ0153	139,742	80	156,879	1,025	500,432	777
NJ0154	446,469	283	329,868	239	440,492	268
NJ0213	68,669	160	396,797	286	5,462,690	607
NJ0232	221,657	210	1,425	35	1,146,622	271
NJ0241	701,198	441	92,574	449	1,199,762	384
NJ0242	1,449,203	852	285,175	418	2,999,517	460
NJ0243	1,792,557	394	173,835	75	716,968	261
NJ0244	1,093,004	371	176,333	442	2,511,386	436
NJ0383	299,334	524	245,658	132	251,500	133
NJ0423	122,820	335	303,396	855	354,909	739
NJ0424	42,663	317	114,727	1,136	234,754	928
NJ0426	3,090	474	3,315	1,658	6,160	1,232
NJ0488	130,245	188	8,259	551	19,560	141
NJ0551	136,575	479	45,291	559	110,011	724
NJ0671	45,977	440	5,647	52	1,400,786	1,586
NJ0745	2,038,498	474	44,810	225	2,517,745	347
NJ0747	1,093,913	499	9,767	41	2,613,761	423
NJ0813	997,211	318	52,837	489	5,037,715	909
NJ0922	2,402,535	698	120,734	356	2,723,980	625

[1] CMI and CAIDI performance for each feeder is measured against its CMI and CAIDI performance during major events for the years 2013 through 2017, i.e., the Five-Year Average Storm Performance. Cumulative Storm Performance relates to each feeder's CMI and CAIDI during major events since the commencement of the PowerAhead Program in July 2017.

Five-Year Average Storm Performance			Jan. - Jun. 2020 Storm Performance		Cumulative Storm Performance	
Feeder	CMI	CAIDI	CMI	CAIDI	CMI	CAIDI
NJ0972	207,102	440	450,340	488	458,691	462
NJ0974	1,192,001	396	2,742	1,371	19,829	472
NJ0982	1,650	156	633	633	71,909	413
NJ0983	57,527	335	47,435	439	158,973	86
NJ0985	45,816	319	320,487	811	336,172	822
NJ1192	215,642	593	329,661	190	992,304	414
NJ1215	3,745,367	790	47,088	185	451,051	191
NJ1324	1,834	57	N/A	N/A	N/A	N/A
NJ1325	5,779	187	90,157	1,156	650,176	825
NJ1326	254,706	177	635,870	817	741,476	817
NJ1327	17,897	385	730	365	17,719	611
NJ1328	138,953	285	7,722	286	26,675	452
NJ1329	236,877	354	7,602	633	258,844	1,035
NJ1357	181,658	385	420	210	8,587	954
NJ1634	27,257	259	3,198,015	1,434	3,490,909	983
NJ2061	710,091	448	1,781	594	3,879,232	907
NJ2062	920,729	326	1,804	1,804	154,037	1,263
NJ2097	4,380,570	973	4,851	693	109,030	887
NJ2352	220,375	1,066	28,983	805	1,127,990	1,344
NJ2391	75,278	214	105,748	261	286,650	504
NJ2392	25,139	348	236,082	240	287,023	279
NJ2393	95,254	400	136,467	183	264,457	248