

February 2, 2022

VIA EMAIL ONLY

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

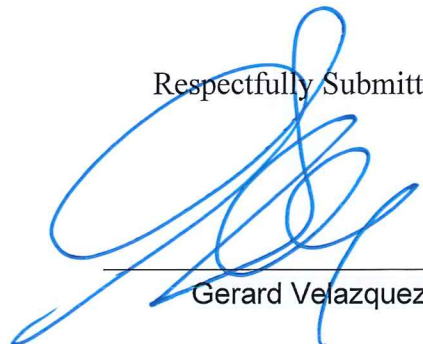
Re: In the Matter of the Petition of Cumberland County Improvement Authority for the Approval of the Extension of Electric Public Utility Facilities of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-27
Docket No. _____

Dear Secretary Camacho-Welch:

Please find the petition of the Cumberland County Improvement Authority seeking approval from the Board of Public Utilities pursuant to N.J.S.A. 48:2-27 that the Board determines that an investment in, and construction and maintenance of, new electric utility infrastructure is necessary and reasonable to allow for development in Cumberland County to serve the public good for the County and for the State. And that the Board directs Atlantic City Electric Company to extend public utility facilities where development is hindered by the lack of electric utility capacity in redevelopment zones and for particular development projects as identified in the foregoing petition and exhibits.

Kindly acknowledge receipt of this filing. Thank you for your consideration in this regard.

Respectfully Submitted,



Gerard Velazquez, III

<p>In the Matter of the Petition of Cumberland County Improvement Authority for the Approval of the Extension of Electric Public Utility Facilities of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-27</p>	<p style="text-align: center;">State of New Jersey Board of Public Utilities</p> <p>Docket No.</p> <p style="text-align: center;">VERIFIED PETITION</p>
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The Cumberland County Improvement Authority (“CCIA” or “Authority”), having offices at 745 Lebanon Road, Millville, New Jersey, respectfully seeks approval from the Board of Public Utilities (“BPU” or “Board”) for the extension or expansion of electric public utility facilities of Atlantic City Electric Company (“ACE” or the “Company”), a regulated electric public utility under the laws of this State with offices located at 5100 Harding Highway, Mays Landing, New Jersey.

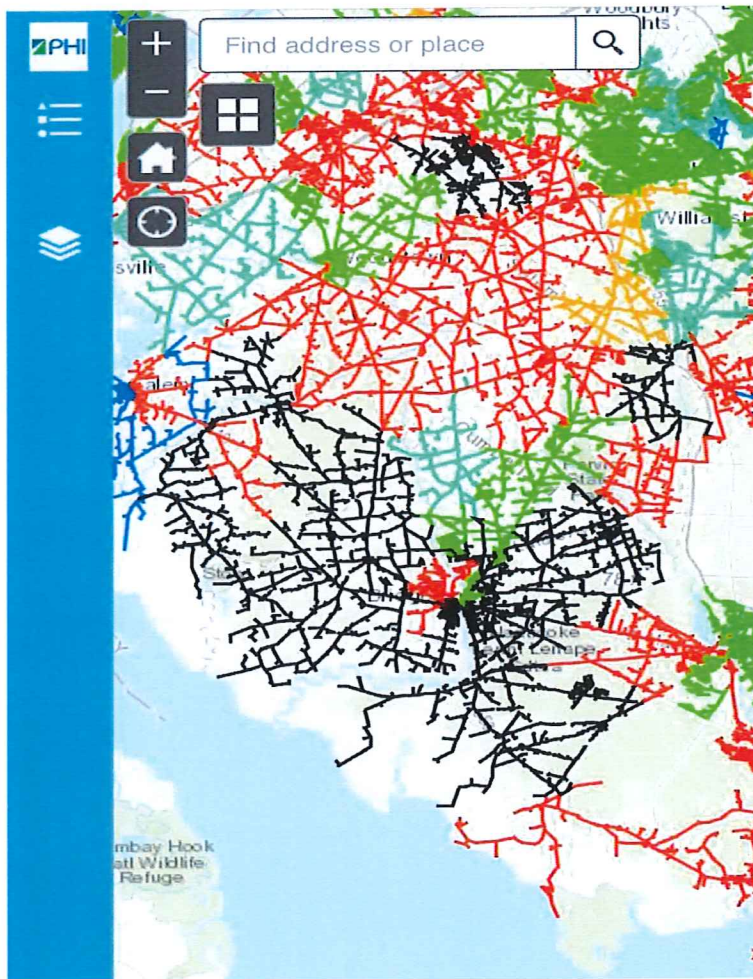
Background

1. One of the missions of the CCIA is to assist with the development, financing, and integration of projects, strategies, and initiatives integral to the economic and environmental sustainability of Cumberland County.
2. In furtherance of this mission, the CCIA has developed an Economic Development Strategic Plan for Cumberland County for 2020-2030 (“the Plan”) for regional growth and innovation. This strategy for Cumberland County is based on the ever-changing dynamics of the regional economy, existing assets, and future opportunities to be shaped by innovative thinking, investment, and technology.
3. Through this aggressive and targeted approach, the CCIA is committed to developing Cumberland County into a magnetic and diverse business community, while preserving the open space and rural amenities that have been such an integral part of its culture and heritage. The goal of diversifying is complemented by the transition of its historic economic base, glass and food manufacturing, to advanced manufacturing with robotic controls, smart technology, and educated operators.
4. One of the goals of the Plan is to provide competitive development infrastructure that is more than just roads and utilities. The Plan’s goals include prioritized development locations along with the right buildings and communication networks and electric public utility facilities that allow businesses to function and grow, improving economic opportunity for residents. The CCIA in conjunction with communities within

Cumberland County has established areas in need of redevelopment to create the incentives and encourage investment into priority areas of Cumberland County (“Redevelopment Zones”), which are more fully set forth in this petition.

5. ACE is an electric public utility engaged in the transmission and distribution of electric energy for light, heat, and power to residential, commercial, and industrial customers. The Company’s service territory comprises eight counties, including Cumberland County, located in southern New Jersey. The Company serves over 560,000 customers. ACE is a wholly owned subsidiary of Pepco Holdings LLC (PHI”), a limited liability company organized and existing under the laws of the State of Delaware. PHI is, in turn, a subsidiary of Exelon Corporation (“Exelon”).
6. The Board has general jurisdiction and control over ACE for the purposes of setting ACE’s retail distribution rates, and ensuring the provision of safe, adequate, and proper electric distribution service to customers in the ACE service territory. *See N.J.S.A. 48:2-13; N.J.S.A. 48:2-23.* The Board similarly has jurisdiction over the expansion or extension of ACE facilities. *See N.J.S.A. 48:2-27.*
7. ACE provides electric distribution and transmission service to customers in Cumberland County. Specifically, ACE provides service to Bridgeton, Commercial Township, Deerfield Township, Downe Township, Fairfield Township, Greenwich Township, Hopewell Township, Lawrence Township, Maurice River Township, Millville, Shiloh Boro, Stow Creek Township, Upper Deerfield Township, and a portion of Vineland.
8. Although ACE has complied with its tariff and regulatory obligation to provide safe, adequate, and proper service in Cumberland County for residential and existing business, the current electric infrastructure in the County is insufficient to power the large-scale manufacturing, educational labs, solar generation projects, and overall stifles investment and development in the County, as established in the Plan.

9. ACE provides a publicly accessible map of its solar (and distributed energy resources) hosting capacity on distribution feeders. As indicated in the image below (taken on February 2, 2022), the ACE system has a significant number of black lines. As ACE's own legend indicates, the black lines are closed circuits, with zero hosting capacity. When selecting a specific closed circuit in Cumberland County, the ACE hosting capacity map provides a pop-up image indicating that, "[i]f this feeder has a lower hosting capacity than the maximum large system size restriction, an upgrade may be necessary..." Although this map is intended to identify areas suitable for hosting solar facilities, the numerous black lines in Cumberland County also serve to illustrate the clear and general need for electric infrastructure investment in the County and the disparity in service between Cumberland County and neighboring surrounding counties:¹



¹ Taken from Atlantic City Electric Hosting Capacity Map:
<https://pepco.maps.arcgis.com/apps/webappviewer/index.html?id=5c02592c8e0541b188eef9cbd8a2c9c0>
See Exhibit F attached hereto for a map that is centered on Cumberland County.

10. Under ACE's current Board-approved tariff, once a section of the grid is closed for further solar installations or has limited capacity for development of major projects, the next customer requesting service or a new solar installation in that area is required to pay for the necessary infrastructure upgrades to the local energy grid. This additional cost slows development, because it makes projects cost prohibitive. The electric system improvement cost in turn limits progress towards the County's development plans/the State's clean energy goals.
11. The County, in this petition, has identified examples of specific development projects that are currently incapable of being immediately interconnected due to the current deficiency in electric service capacity on the ACE system. The County clarifies that this list is provided to illustrate the overall need for electric utility investment in the County in general and specifically in the redevelopment zones. To be clear, this Petition seeks Board approval for electric infrastructure investment in the areas identified in detail below and in the accompanying exhibits, but the County is not seeking specific investment for any particular project.
12. The CCIA has identified this immediate need for new investment in and further development of electric utility infrastructure in the Redevelopment Zones to support Cumberland County economic development. In particular, CCIA sees the need to construct the electric utility infrastructure necessary to provide safe, proper, and adequate electricity in these identified Redevelopment Areas in which developers are currently willing to construct facilities that will provide jobs and economic growth in general. Without the electric utility infrastructure expansion or extension, economic development in the County is stymied until the system can accommodate the necessary load demands for the development.
13. The CCIA understands that the Board is supportive of the proactive extension of utility facilities. At the December 15, 2021 open public meeting of the Board President Fiordaliso stated:

“All of the utilities need to be involved with . . . infrastructure to accommodate interconnection as more and more renewable energy is produced. Interconnection is going to become more and more important. Even this day, some of the utilities have difficulty interconnecting renewable energy. That cannot be. I want to see more infrastructure work done on interconnection so that when these renewables are ready to come online . . . that grid is available to accept them. This is unacceptable. We have to lay the ground work. . . . We want that infrastructure to be there so that people feel confident So, if you are listening to me,

electric public utility companies, interconnection, I want to see more of it; I want to see more work done on it.”

14. The CCIA priority projects and information on the Cumberland County Redevelopment Zones are described in detail below. These projects will surely result in a significant public benefit, not only as they will create many quality jobs within the County, but a state-wide public benefit will result from educating and training the workforce to be prepared for the jobs of tomorrow. In addition, these projects will produce the products and services needed for our state economy, as well as Cumberland County to continue to grow, after the devastating effects of the COVID-19 pandemic.
15. Despite the best efforts and good faith from ACE, the County simply does not currently have the electric utility infrastructure required to develop the pending proposed projects or the significant redevelopment generally identified in the Redevelopment Areas. The expansion or extension of ACE facilities is necessary for the economic success and stability of Cumberland County.

Requested Relief

16. Pursuant to N.J.S.A. 48:2-27, the Board may, after hearing, upon notice, by order in writing, require any public utility to establish, construct, maintain and operate any reasonable extension of its existing facilities where, in the judgment of the board, the extension is reasonable and practicable and will furnish sufficient business to justify the construction and maintenance of the same and when the financial condition of the public utility reasonably warrants the original expenditure required in making and operating the extension.
17. The Southern part of the New Jersey, primarily and particularly Cumberland County, contains the most readily available sites for redevelopment in the state. Cumberland County municipalities have approved in excess of two (2) million square feet of private development and have an additional two (2) million square feet of development that have been issued Letters of Intent and/or conditional approvals. The additional development can be implemented only if electrical infrastructure is made available in the County.
18. The growth and economic development of Cumberland County is dependent and predicated upon an expansion or extension of existing electric public utility infrastructure.
19. The Redevelopment Areas in need of electric utility infrastructure investment are located in the municipalities of Bridgeton, Deerfield, Hopewell, Millville, and Upper Deerfield.

See Exhibit A setting forth the locations of the Redevelopment Areas in the County which are serviced by ACE.

20. As stated above, the following descriptions of specific projects hindered by the currently limited electric capacity are provided for illustrative purposes, only intended to show the pressing need for utility infrastructure investment in these areas of the County in general. The County is not seeking Board approval for the interconnection of any individual project.
21. The Deerfield Township, "Bridgeton Avenue Redevelopment Plan" is an example of particular blocks and lots in the County which have been identified for specific types of redevelopment (See Exhibit B). This plan was approved on December 3, 2018 after years of thoughtful, careful planning and studies to identify the types of development projects best suited for the area and economic revitalization. Development under the Bridgeton Avenue Redevelopment Plan has been significantly hindered in most part due to the lack of adequate electric utility infrastructure and capacity in these locations.
22. Development of a 100,000 square foot data center which would contain a large group of networked computer servers typically used by organizations for the remote storage, processing, or distribution of large amounts of data, has been inhibited. Prospective developers of the data center have expressed enormous interest in moving forward to construct the center, and, as a result, this project has received attention in various publications, however the lack of adequate electric utility service to run this facility has hindered the process. The current infrastructure only provides 2 MW of electricity at this site and for most other sites in the County redevelopment areas. To illustrate the significant lack of capacity, the data center project requires in excess of 60 MW of service. The proposed development will not be a burden on the rate payers due to the fact that the revenue generated by ACE will offset its investment. This will be the case with the overall infrastructure upgrades being requested by the County.
23. The Data Center would not only provide good paying jobs and economic development in New Jersey but it would also increase in-State security for data storage to add a layer of protection for organizations against the increasingly common ransomware and other cyber-attacks.
24. In addition to physical buildings, CCIA has identified the development of Solar Energy Facilities to increase the County's solar energy portfolio and to help do its part to further the renewable energy goals of the New Jersey Energy Master Plan. Here as well, there are many solar developers who are willing and able to develop solar energy facilities in the County redevelopment zones but the current utility infrastructure does not currently

have the capacity for solar facilities to interconnect and deliver the solar electricity that would be generated so these projects also remain in limbo, waiting for the utility infrastructure investments required to construct and energize the facilities. As referenced above, ACE's solar hosting capacity in Cumberland County is very restricted, with numerous feeders showing a hosting capacity of zero.

25. Other examples of permitted principal uses for developers to receive incentives to build and business to operate in the CCIA redevelopment zones include public facilities, educational facilities, farms and agriculture, computer generated imagery (GCI) production facilities and support services. Once again, the developers and the County are limited, and currently unable to move forward on many of these projects due to inadequate electric utility infrastructure.

26. Further particular proposed investments for redevelopment appear in the CCIA Economic Overview – Regional Economic Perspective, December 10, 2021. (See Exhibit C). These projects include proposed investments in the Rowan College SJ campus to create labs and educational facilities to provide for education and workforce training in emerging fields. These improvements are forward thinking and essential to train the New Jersey workforce of tomorrow, but they also require a large amount of electricity to run.

Proposed educational investments include new labs and classrooms for:

- Drone Technology
- Robotics
- Automation
- Advanced Manufacturing
- High Definition CAD/CAM Engineering lab
- Expansion of the Cumberland County Technical Institute - Health, Science, and Medical Academy
- Rowan Medicine Facility

27. Private sector expansions that are planned and approved by the county and/or municipalities include:

- Expansion of Manufacturing Facilities for Northeast Precast,
 - a manufacturer of precast concrete slabs and components that are cast and delivered to construct public infrastructure such as bridges and roads and also other commercial construction such as parking garages and apartment buildings.
 - Manufacturer of Oat Milk is expanding its current facility in Millville by 45,000 sf to enhance its production capacity.

- Manufacturer of Milk is expanding its current facility; \$50 million investment to enhance its production capacity.
- Plant based nugget manufacturer expanding wholesale processing facility by 19,000 sf to support retail sales.
- Cannabis Industry to construct approximately 350,000 sf of processing and cultivation space with state-of-the-art growing lights and will utilize responsible growing and cultivation techniques.
- Film, Streaming and Set Building; 25,000 sf resulting from new state film credits are currently being developed in the Deerfield Redevelopment area.
- Food Processing and Advanced Manufacturing; more than 500,000 sf warehousing, processing and logistics are scheduled for expansion and/or new construction in Bridgeton, Upper Deerfield and Millville Redevelopment areas.
- Cold Storage and Logistics; more than 200,000 is planned for Bridgeton and Millville Redevelopment Areas
- Solar; more than 90 MW approved in the Deerfield Redevelopment Areas.
- Millville Airport expansion which is estimated to produce 250 jobs initially and expand One-Stop facilities to receive small jets and other passenger planes.
- Advanced Manufacturing more than 200,000 sf is planned in Millville and Upper Deerfield. Upper Deerfield development will include the expansion of an international manufacturer's operation to create a new US manufacturing and logistics hub for Pharmaceutical, scientific and other specialized glass manufacturing that would serve the eastern seaboard.
- Residential Development is also growing along with the housing market. More than 400 new units are proposed in Bridgeton and Millville alone.

28. These foregoing examples are but a few examples of approved for redevelopment projects that will require investments in the electric utility infrastructure prior to developing these forward thinking, job creating, and economic development projects that will provide significant benefits to the County and throughout the State. If the infrastructure is there to enable projects to proceed, the County unequivocally asserts that the redevelopment projects "will furnish sufficient business to justify the construction and maintenance of the same." Investment in the County is an investment in the future of New Jersey.

29. Accordingly, CCIA respectfully requests that the Board require ACE to establish, construct, maintain and operate the reasonable extension of its existing facilities into Cumberland County to accommodate the necessary redevelopment of the County;

stimulating the economy in the wake of the COVID-19 pandemic, and furthering the Governor's objectives in the Energy Master Plan.

Proposed Extension

30. While the CCIA and Cumberland County would like to see ACE's full investment into Cumberland County as a whole, initial investments in needed infrastructure around the Redevelopment Areas are necessary for the economic advancement and the general well-being of the residents of Cumberland County post-pandemic. These areas are most likely to redevelop quickly and provide the business sufficient to justify the expansion or extension of facilities.
31. The CCIA acknowledges that the enabling statute cited above requires 1) description of the project and the required location and description of the service line extensions; 2) a general discussion of the construction and maintenance of the project; and 3) a showing that the extension of electric utility service is reasonable and practicable.
32. While CCIA has the knowledge and experience to describe the reasons that expanding electric utility infrastructure in Cumberland County redevelopment zones, ACE is best suited to describe in detail the nature of the needed expansions or extensions and the construction and maintenance of the project(s). The County is confident that these two components, taken together will show that investing in electric infrastructure in targeted areas of Cumberland County is reasonable and practical.
33. For this reason, and to continue to work collaboratively with ACE in general, the petitioner invites ACE to intervene in this petition should ACE choose to file a motion to intervene. If such a motion for intervenor status is filed by ACE, CCIA would not object.

ACE Expenditure

34. The CCIA requests approval that ACE fund the proposed extensions or expansions. The financial condition of the public utility reasonably warrants the Company's original expenditure required in making and operating the extension to serve these economic development opportunities in the County. The County urges the Board to recognize that the Company's original expenditure will be recouped from the business received from the needed economic development enabled by that utility infrastructure expansion. Again, the CCIA does not object to the intervention of ACE in this proceeding, establishing it as a party, and allowing it to speak to its own financial condition.

Supporting Testimony and Exhibits

Exhibit A - "Redevelopment areas serviced by ACE"

Exhibit B - Bridgeton Avenue Redevelopment Plan, December 2, 2018

Exhibit C - CCIA Economic Overview – December 10, 2021.

Exhibit D - Cumberland County Project Impact Analysis, December, 2020

Exhibit E - Cumberland County Guide 2019-2020

Exhibit F - Atlantic City Electric Hosting Capacity Map – February 3, 2022

Notice

35. Notice of this filing will be combined with notice of the date and times of the public comment hearings to be scheduled thereon, and will appear in newspapers published and/or in general circulation, after the date and times of such public hearings have been scheduled.

Communications

Communications and correspondence relating to this filing should be sent to:

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Request for Relief

WHEREFORE, CCIA requests that the Board:

- (1) determine that sufficient business to justify the construction and maintenance of the investment in electric utility infrastructure, and that such investment will serve the public good;
- (2) determine that the financial condition of the public utility reasonably warrants the original expenditure required in making and operating the extension;
- (3) through a Board Order, require that ACE establishes, constructs, maintains and operates an extension of its existing facilities to provide the necessary electric capacity required to execute and implement the CCIA redevelopment plan; and
- (4) grant such other and further relief as may be required as the Board deems necessary.

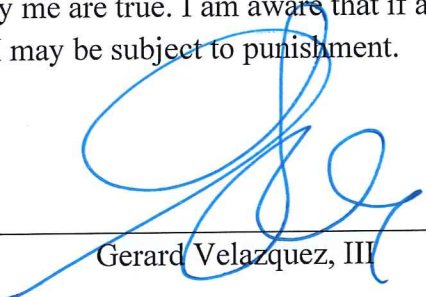
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VERIFICATION IN SUPPORT OF THE PETITION

I, Gerard Velazquez, III, of full age, do hereby verify the following:

1. I am President/CEO of the Authority, the Petitioner in the foregoing petition.
2. I am familiar with the nature and contents of the Petition to which this Verification is annexed.
3. The statements of the Petition are true and accurate to the best of my knowledge, information and belief.

I further verify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me is willfully false, I may be subject to punishment.



 Gerard Velazquez, III

Sworn and subscribed to)
 before me this 2nd day)
 of [DATE] February, 2022


HEIDI L. GRIEFF
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2440245
My Commission Expires 11/6/2023



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