



Testimony before Board of Public Utilities

Thursday, June 30, 2016

3:30 PM

Atlantic City Electric Company Request for  
Approval to Further Enhance the Regions Electric  
Distribution System

Atlantic City Electric

5100 Harding Highway, Mays Landing, NJ 08330

Marlene Z. Asselta, President

Southern New Jersey Development Council



Good afternoon and welcome to South Jersey, my name is Marlene Asselta, I am President of the Southern New Jersey Development Council and I am here today to speak on behalf of Atlantic City Electric's Base Rate Adjustment and its "PowerAhead" proposal.

This past spring, Atlantic City Electric ("ACE") filed a petition with the Board seeking a base rate adjustment for approximately \$79.4 million. If granted, our understanding is it will result with the typical ACE customer's monthly bill increasing between \$7 and \$12 a month, depending on usage.

How those funds will be used is of interest to my membership, which includes over 300 businesses and organizations, both large and small, as well as the homes those business owners and their employees have in ACE's territory.

It is important that the requested adjustment is granted to continue investment in reliability upgrades, infrastructure improvements and to sustain a dependable electric grid, which Atlantic City Electric has dubbed "PowerAhead".

In the past five years, through its Reliability Improvement Plan, ACE has invested over \$700 million in system upgrades, which included:

- replacement of utility poles;
- adding sturdier support wire;
- the installation of automation devices and
- constructing new infrastructure and substations

Further ACE also invested in a comprehensive vegetation management plan in the last three years spending over \$40 million along some 5200 miles of power lines on projects that ultimately prevent outages.

These investments have resulted in the steady decrease of outage frequency and the increased isolation of outages with ability to turn the lights back on sooner.



It should be noted that in 2015, ACE achieved its best reliability performance in over a decade, thus demonstrating that with infrastructure investments comes improved service.

Moving forward, the PowerAhead grid resiliency plan can help change the way customers think about energy savings. Energy savings isn't merely achieved by the customer changing a thermostat; though I can tell you I have a fancy new Nest Thermostat at home and in our office and can visually see the energy savings every day.

Energy savings can also be achieved through modernization of the electric grid. By utilizing the PowerAhead plan that includes a combination of energy efficiency, additional generation (*where applicable of course*) and resiliency measures the changing ways of Mother Nature can better be endured. In 2015 alone we experienced 71 degrees in December, a freezing February, a nor'easter and a new one for me – a Bow Echo.

To help strengthen the electric infrastructure to withstand weather events, the PowerAhead program will:

- continue to address vulnerable areas that experience extended outages;
- enable the new system to continue to operate despite critical damage through a combination of system redundancy and a decrease in distance between substations
- result in a rapid response and a return to normal operations.

Finally, I would like to make mention of the continued commitment of Atlantic City Electric in the region. Not long ago we asked for your support of the merger of Atlantic City Electric and Exelon. We believed then that being combined with Exelon, Atlantic City Electric would benefit from additional resources for emergency-response capabilities, infrastructure investment, and reliability and performance practices to continue its high level of service and commitment to the South Jersey region. We continue to believe that



today. The PowerAhead program is the next step in infrastructure investment and modernization in South Jersey and a continued commitment to improving service.

Thank you for your time and the opportunity to speak today.