



September 10, 2015

**VIA FEDERAL EXPRESS and
ELECTRONIC MAIL**
irene.asbury@bpu.state.nj.us
board.secretary@bpu.state.nj.us

Irene Kim Asbury, Esquire
Secretary of the Board
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625

Philip J. Passanante
Associate General Counsel

92DC42
500 N. Wakefield Drive
Newark, DE 19702

P.O. Box 6066
Newark, DE 19714-6066

302.429.3105 – Telephone
302.429.3801 – Facsimile
philip.passanante@pepcoholdings.com

RE: In the Matter of the Petition of Atlantic City Electric Company Pursuant
to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for Authority to Issue Up to
\$350 Million of Short-Term Indebtedness Prior to January 1, 2018
BPU Docket No. _____

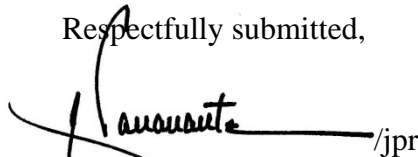
Dear Secretary Asbury:

Enclosed herewith are an original and eleven (11) copies of the Verified Petition of Atlantic City Electric Company (“ACE”) for Authority to Issue Up to \$350 Million of Short-Term Indebtedness Prior to January 1, 2018. Kindly accept the enclosed for filing and return one time-stamped, “filed” copy of same in the enclosed self-addressed, postage-prepaid envelope.

Inasmuch as ACE’s current short-term debt authorization expires at the end of 2015, ACE respectfully requests that the Board review and approve the authorization requested herein by no later than the Board meeting presently scheduled for Wednesday, December 16, 2015.

Thank you for your cooperation and courtesies. Feel free to contact the undersigned with any questions.

Respectfully submitted,

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

Enclosures
cc: Service List

IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY PURSUANT TO N.J.S.A. 48:2-13 AND N.J.S.A. 48:3-9 FOR AUTHORITY TO ISSUE UP TO \$350 MILLION OF SHORT-TERM INDEBTEDNESS PRIOR TO JANUARY 1, 2018	STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES VERIFIED PETITION FOR EXPEDITED REVIEW BPU Docket No. _____
--	--

ATLANTIC CITY ELECTRIC COMPANY (herein, “ACE”, “Petitioner” or the “Company”), having a principal office and mailing address of 5100 Harding Highway, Mays Landing, in the County of Atlantic, State of New Jersey 08330, and an office at 500 N. Wakefield Drive, in the City of Newark, State of Delaware 19702-5440, respectfully petitions the Board of Public Utilities (herein, the “Board” or “BPU”) as follows:

1. Petitioner is a public utility corporation organized and operating under the laws of the State of New Jersey and is engaged in the transmission, distribution, and sale of electric energy to residential, commercial, and industrial customers in eight counties located in southern New Jersey. The Company provides default electricity supply to retail customers who do not choose a competitive supplier. Petitioner is a wholly-owned subsidiary of Conectiv, LLC (“Conectiv”), a limited liability company organized and existing under the laws of the State of Delaware. Conectiv is, in turn, a wholly-owned subsidiary of Pepco Holdings, Inc., a Delaware corporation.

2. This Petition for expedited review and consideration is filed by the Company pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for authorization to continue to issue, renew or extend, prior to January 1, 2018, unsecured notes and/or other evidence of indebtedness payable not more than 12 months after the date(s) thereof. For the reasons set forth herein, ACE hereby requests an aggregate principal amount outstanding at any one time not to exceed \$350 million.

3. Petitioner is engaged in a construction program of additions and improvements to its electric facilities. Such additions and improvements are necessary for the Company to continue providing safe, adequate, and proper service to its customers. Information with respect to the Petitioner's estimates of aggregate construction program expenditures for 2015, 2016, and 2017 is attached hereto as **Exhibit A**.

4. Cash requirements associated with ACE's construction program will be provided by means of internally generated funds, proceeds of long-term debt issuances, and equity. Additionally, the Company anticipates that short-term external financing will be necessary to provide for: (i) working capital requirements; (ii) temporary financing of construction program expenditures; and (iii) general corporate purposes. To facilitate Petitioner's interim financing needs at appropriate times and upon favorable terms, and in order to accommodate other corporate obligations, it has been and will continue to be necessary for Petitioner to obtain cash through the issuance of short-term debt.

5. Pursuant to the Board's Order dated December 18, 2013, issued in connection with BPU Docket No. EF13080772, Petitioner was authorized to issue, renew or extend unsecured notes or other evidence of indebtedness, payable not more than 12 months after the date(s) thereof ("Short-Term Debt"), from time to time, prior to January 1, 2016, up to an aggregate principal amount outstanding at any one time not in excess of \$350 million. A copy of the Board Order referenced above is attached hereto as **Exhibit B**. Inasmuch as the existing authorization expires at 11:59:59 P.M. on December 31, 2015, ACE respectfully requests **expedited processing** of this filing.

6. Consistent with the 2013 Board Order referenced in Paragraph 5 above, Petitioner respectfully requests reauthorization by the Board for an aggregate principal amount outstanding at any one time not in excess of \$350 million.

7. Petitioner may utilize the following types of Short-Term Debt: borrowings under one or more revolving credit facilities or bank loans, commercial paper, and/or short-term notes.

8. Information relating to the financial condition of Petitioner, including: (i) the amount of interest charged to income during the fiscal year ended December 31, 2014, upon each amount of indebtedness and the rate thereof, and where different rates were charged, the amount charged at each rate; (ii) the amounts of dividends paid upon each class of stock during the fiscal year ended December 31, 2014, and the respective rates thereof; (iii) a detailed income statement for the fiscal year ended December 31, 2014; and (iv) a balance sheet showing the condition of Petitioner at the close of the fiscal year ended December 31, 2014, is contained in the Annual Report of Petitioner to the Board for the year ended December 31, 2014, which information is incorporated herein by reference thereto. (The Annual Report on Form 10-K was filed with the Board under separate cover.) ACE also incorporates herein by reference the supplemental data as of more recent dates than December 31, 2014, which data is contained in the financial statements that Petitioner has filed with this Board subsequent to December 31, 2014 (Form 10-Qs).

9. A certified copy of the Resolutions of Petitioner's Board of Directors authorizing the filing of the Petition and authorizing action of the officers of the Company to be taken in conjunction herewith is attached hereto as **Exhibit C**.

10. No oral or written contract, arrangement or agreement has been made in connection with the securities proposed to be issued.

11. Petitioner designates as the person or persons to whom correspondence or communications in this cause are to be addressed:

Philip J. Passanante, Esquire
Associate General Counsel – 92DC42
Atlantic City Electric Company
500 N. Wakefield Drive
Newark, DE 19702-5440
(302) 429-3105 – Telephone
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

with a copy to:

Jeffery E. Snyder
Assistant Treasurer – 92DC33
Atlantic City Electric Company
500 N. Wakefield Drive
Newark, DE 19702-5440
(302) 429-3667 – Telephone
(302) 429-3188 – Facsimile
jeff.snyder@pepcoholdings.com

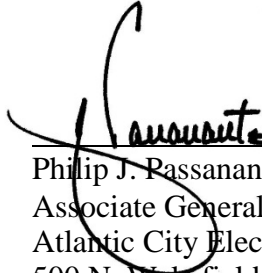
WHEREFORE, Petitioner respectfully requests that this Board:

A. by no later than December 31, 2015, approve and issue an Order pursuant to N.J.S.A. 48:3-9 substantially in the form proposed in the draft Order of Approval attached hereto and marked **Exhibit D**, authorizing the issuance of up to \$350 million of unsecured short-term indebtedness outstanding at any one time prior to January 1, 2018. All other terms and conditions of the draft Order are as previously approved by the Board in BPU Docket No. EF13080772, all as hereinabove requested; and

B. grant such other or further relief as shall be just and reasonable.

Dated: September 10, 2015

ATLANTIC CITY ELECTRIC COMPANY


_____/jpr
Philip J. Passanante
Associate General Counsel
Atlantic City Electric Company
500 N. Wakefield Drive
Newark, DE 19702-5440
(302) 429-3105 – Telephone
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

IN THE MATTER OF THE PETITION OF
ATLANTIC CITY ELECTRIC COMPANY
PURSUANT TO N.J.S.A. 48:2-13 AND
N.J.S.A. 48:3-9 FOR AUTHORITY TO
ISSUE UP TO \$350 MILLION OF SHORT-
TERM INDEBTEDNESS PRIOR TO
JANUARY 1, 2018

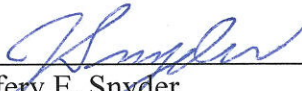
STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

VERIFICATION

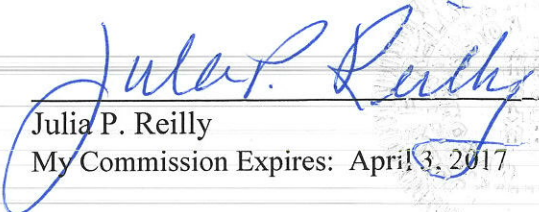
STATE OF DELAWARE :
:SS
COUNTY OF NEW CASTLE :

Before me, a Notary Public in and for the State of Delaware, personally appeared Jeffery E. Snyder, Assistant Treasurer and Assistant Secretary of Atlantic City Electric Company, who being by me first duly sworn, did depose and say:

That he is Assistant Treasurer and Assistant Secretary of Atlantic City Electric Company, that he has read the foregoing Petition and knows the contents thereof; that the facts therein stated and the allegations therein contained are true and correct to the best of his knowledge and belief; and that it is the intention of the Petitioner, in good faith, to use the proceeds of the short-term indebtedness for the purposes specified in the Petition.


Jeffery E. Snyder
Assistant Treasurer and Assistant Secretary

SWORN and subscribed to before me this 2nd day of September, 2015.


Julia P. Reilly
My Commission Expires: April 3, 2017

Julia P. Reilly
Notary Public
State of Delaware
My Commission Expires:
April 3, 2017

Exhibit A

Construction Budget Numbers

Atlantic City Electric Company
Projected Capital Expenditures
Per the 2014 Form 10-K
(millions of dollars)

	2015	2016	2017	3 Year Total
Distribution	73	135	141	349
Transmission	177	164	155	496
Other	15	25	25	65
Total Construction Costs	265	324	321	910

Note:

There have been no material changes in ACE's projected capital expenditures from those presented in the 2014 Form 10-K,

Exhibit B

Prior BPU Order



Agenda Date: 12/18/13

Agenda Item: 2A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF ATLANTIC)	ORDER
CITY ELECTRIC COMPANY PURSUANT TO <u>N.J.S.A.</u>)	
48:2-13 AND <u>N.J.S.A.</u> 48:3-9 FOR AUTHORITY TO)	
ISSUE UP TO \$350 MILLION OF SHORT-TERM)	
INDEBTEDNESS PRIOR TO JANUARY 1, 2016)	DOCKET NO. EF13080772

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Philip J. Passanante, Esq., Atlantic City Electric Company

BY THE BOARD:

On August 26, 2013, Atlantic City Electric Company ("Petitioner"), a public utility of the State of New Jersey, filed a petition with the New Jersey Board of Public Utilities ("Board") requesting authority pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 to continue to issue, renew or extend unsecured short-term indebtedness ("Short Term Debt") from time to time prior to January 1, 2016, in an aggregate principal amount outstanding at any one time not in excess of \$350 million. The Board, in its Order in Docket No. EF11090577, dated December 15, 2011, authorized Petitioner to issue similar Short-Term Debt, prior to January 1, 2014.

According to the petition, cash requirements associated with Petitioner's construction program will be provided by means of internally generated funds, and, to the extent necessary, through external financing. However, Petitioner anticipates that short-term external financing will also be needed to provide for temporary financing of construction program expenditures and other general corporate transactions. Petitioner has requested that the Board extend to January 1, 2016, the authorization previously granted by this Board in its December 15, 2011 Order described above, and to raise the limit of that authorization from the previously authorized amount of \$250 million to \$350 million in the aggregate amount of Short-Term Debt that may be outstanding at any one time.

Board Staff has reviewed the continuing electric construction program of Petitioner for which a portion of these moneys is intended as temporary financing, and has found that the funds for the construction program, if used as represented, will be used for utility purposes to allow Petitioner to expand and improve its facilities. Based on that review, Board Staff agrees that the requested adjustment in the amount of authorized short term debt is reasonable.

The Division of Rate Counsel ("Rate Counsel") has reviewed this matter and, by letter dated December 4, 2013, stated that it does not oppose ACE's request for Short-Term debt authority including the increase to \$350 million. Rate Counsel recommends that the twelve provisions set forth in the previous Board Order granting the Company authority to issue the \$250 million of Short Term debt be included in this Order. Those provisions are included in this Order.

The Board, after investigation, having considered the petition and exhibits submitted in this matter along with the recommendations of Staff and Rate Counsel, and being satisfied that issuance, from time to time, of Short-Term Debt as proposed by Petitioner is to be made in accordance with law and is in the public interest, and approving the purposes thereof, **HEREBY ORDERS** that Petitioner be and is **HEREBY AUTHORIZED** to issue unsecured short-term indebtedness payable not more than twelve (12) months after the date or dates thereof, from time to time, prior to January 1, 2016, in an aggregate principal amount outstanding at any one time not in excess of \$350 million.

This Order is issued subject to the following provisions:

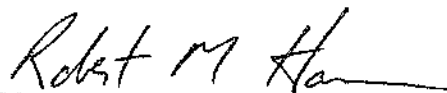
1. Within 30 days after the close of each fiscal quarter, Petitioner shall file with the Board a statement setting forth in reasonable detail the amounts of its unsecured indebtedness outstanding, the dates of issue and maturity, and the rates of interest thereon.
2. This Order shall not be construed as a certification that the securities proposed to be issued will be represented by tangible or intangible assets of commensurate value or investment costs.
3. This Order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioner.
4. This Order shall not affect or in any way limit the exercise of the authority of this Board or of this State, in any future petition or in any proceeding with respect to rates, franchises, service, financing, accounting, capitalization, depreciation or in any other matter affecting the Petitioner.
5. Petitioner shall submit to the Office of the Economist and to Board Staff copies of all resolutions that shall be adopted by the Board of Directors of Petitioner during the term of this Order, which shall have the effect of changing the amount of unsecured indebtedness within the limits established by this Order. Such submittals shall be for informational purposes only, and shall be made within ten (10) days following the taking of such action by Petitioner's Board of Directors.
6. On each day where the Petitioner determines that it requires short-term funds in the form of commercial paper, Petitioner shall first use commercially reasonable efforts to obtain competitive bids from at least three (3) commercial paper dealers. Petitioner shall then select the bid that offers the best terms at the lowest rate to Petitioner and to its New Jersey ratepayers. Petitioner shall maintain documentation as to such efforts to obtain competitive bids from at least three (3) commercial paper dealers. Such documentation shall be supplied to Board Staff or Rate Counsel upon request.

7. Petitioner is obligated to conduct its short-term borrowing at the lowest reasonable cost.
8. All Short-Term Debt issued pursuant to the authority granted by this Order is to be used to fund utility operations and investments only, not to fund unregulated affiliates.
9. The Board's approval of the Petition does not constitute pre-approval of any cost recovery from customers or rate setting.
10. Petitioner retains the obligation to use a prudent mix of capital to finance its utility operations and investments to provide service at lowest reasonable costs.
11. Rate Counsel reserves all rights to take appropriate positions in any future Board proceedings involving Petitioner.
12. The authority granted in this Order shall become null and void and of no effect with respect to any portion which is not exercised prior to January 1, 2016.

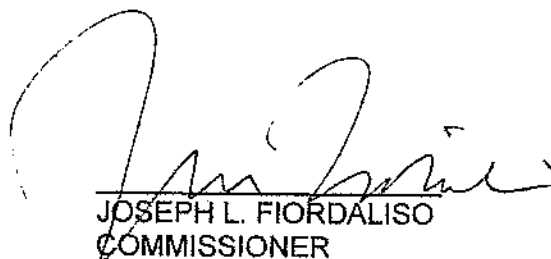
This Order will be effective December 28, 2013.

DATED: 12/18/13

BOARD OF PUBLIC UTILITIES
BY:



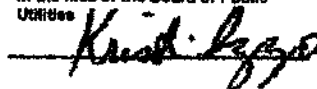
ROBERT M. HANNA
PRESIDENT


JEANNE M. FOX
COMMISSIONER
JOSEPH L. FIORDALISO
COMMISSIONER
MARY-ANNA HOLDEN
COMMISSIONER
DIANNE SOLOMON
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



In the Matter of the Petition of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for Authority to Issue up to \$350 Million of Short-Term Indebtedness Prior to January 1, 2016

DOCKET NO. EF13080772

SERVICE LIST

Kristi Izzo,
Secretary of the Board
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Mark Beyer, Chief Economist
Office of the Economist
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Robert Wojciak
Office of the Economist
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Jerome May, Director
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Robert Schultheis
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Caroline Vachier, DAG.
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Babette Tenzer, DAG
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Phillip J. Passanante, Esq.
Assistant General Counsel
92DC42
Atlantic City Electric Company
500N Wakefield Drive
Newark, DE 19702-5440

Jeffrey E. Snyder
Assistant Treasurer
92DC33
Atlantic City Electric Company
500N Wakefield Drive
Newark, DE 19702-5440

Stefanie A. Brand, Esq.,
Director
State of New Jersey
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Ami Morita, Esq.
State of New Jersey
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Diane Schulze Esq.
State of New Jersey
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Kurt Lewandowski, Esq.
State of New Jersey
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Exhibit C

Resolutions

ATLANTIC CITY ELECTRIC COMPANY

**WRITTEN CONSENT OF THE SOLE DIRECTOR
TO ACTION TAKEN WITHOUT A MEETING**

September 9, 2015

The undersigned, being the sole director of Atlantic City Electric Company, a New Jersey corporation (the **Company**), acting pursuant to the provisions of N.J.S.A. 14A:6-7.1(5) and the Company's Bylaws, does hereby consent and agree to the adoption of the following resolutions, with the same force and effect as if made at a duly convened and held meeting of the Board of Directors of the Company:

WHEREAS, the Company is engaged in a construction program of additions and improvements to its electric facilities, which are necessary for the Company to continue providing safe, adequate, and proper service to its customers; and

WHEREAS, cash requirements associated with the Company's construction program are to be provided by means of internally generated funds, proceeds of long-term debt issuances and equity, and short-term external financing will be necessary to provide (i) funding of the Company's working capital requirements; (ii) temporary financing of the Company's construction program expenditures; and (iii) for general corporate purposes; and

WHEREAS, to facilitate the Company's interim financing needs at appropriate times and upon favorable terms and conditions, and in order to accommodate other corporate obligations, the Company desires to obtain cash through the issuance of short-term debt; and

WHEREAS, pursuant to an Order of the New Jersey Board of Public Utilities (NJBPU) dated December 18, 2013, issued in connection with NJBPU Docket No. EF13080772, the Company was authorized to issue, renew or extend unsecured notes or other evidences of indebtedness, payable not more than 12 months after the date(s) thereof (Short-Term Debt), from time to time, prior to January 1, 2016, up to an aggregate principal amount outstanding at any one time not in excess of \$350,000,000; and

WHEREAS, pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9, the Company wishes to seek approval of the NJBPU to continue to issue, renew or extend, prior to January 1, 2018, Short-Term Debt in an aggregate principal amount outstanding at any one time of up to \$350,000,000, which Short-Term Debt may consist of borrowings under one or more revolving credit facilities or bank loans, commercial paper, and/or short-term notes; and

WHEREAS, management of the Company believes these actions to be in the best interests of the Company and recommends that the Board of Directors approves the following resolutions.

NOW, THEREFORE, BE IT

RESOLVED, that the President, any Vice President, Treasurer or any Assistant Treasurer (the Authorized Officers) of the Company be, and hereby are, authorized to direct the preparation, execution, and filing of a petition with the NJBPU, to seek the approval of the NJBPU to permit Company to continue to issue, renew or extend, prior to January 1, 2018, Short-Term Debt in an aggregate principal amount outstanding at any one time of up to \$350,000,000, which Short-Term Debt may consist of borrowings under one or more revolving credit facilities or bank loans, commercial paper, and/or short-term notes, proceeds of which will be used to provide (i) funding of working capital requirements; (ii) temporary financing of construction program expenditures; and (iii) for general corporate purposes, and to take any and all actions as may be required in connection with the filing of such petition; and

FURTHER RESOLVED, that the Authorized Officers of the Company be, and hereby are, authorized on behalf of the Company, empowered and directed to take or cause to be taken any and all such other and further actions and to execute, acknowledge, and deliver any and all such other agreements, amendments, and documents as they deem necessary and desirable in order to carry into effect the purpose and intent of the foregoing resolutions; and

RESOLVED, that any and all actions previously taken by the Company or any of the directors or officers of the Company in connection with the documents, transactions, and actions contemplated by the foregoing resolutions be, and they hereby are, ratified, confirmed, and approved in all respects as and for the acts and deeds of the Company.

[signature page follows]

IN WITNESS WHEREOF, the undersigned, constituting the sole member of the Board of Directors of the Company, has caused this Consent to be executed on the date first written above.

A handwritten signature in black ink, appearing to read "Joseph M. Rigby". The signature is fluid and cursive, with the first name "Joseph" and last name "Rigby" being more legible than the middle initial "M".

Joseph M. Rigby

Exhibit D

Draft Order

IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY PURSUANT TO N.J.S.A. 48:2-13 AND N.J.S.A. 48:3-9 FOR AUTHORITY TO ISSUE UP TO \$350 MILLION OF SHORT-TERM INDEBTEDNESS PRIOR TO JANUARY 1, 2018	STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES ORDER BPU Docket No. _____
--	---

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

Philip J. Passanante, Esq., Associate General Counsel, Atlantic City Electric Company

BY THE BOARD:

On [September __, 2015], Atlantic City Electric Company (“Petitioner”), a public utility of the State of New Jersey, filed a petition with the New Jersey Board of Public Utilities (the “Board”) requesting authority pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 to continue to issue, renew or extend unsecured short-term indebtedness (“Short-Term Debt”) from time to time prior to January 1, 2018, in an aggregate principal amount outstanding at any one time not in excess of \$350 million. The Board, in an Order issued in connection with BPU Docket No. EF13080772, dated December 18, 2013, authorized Petitioner to issue similar Short-Term Debt prior to January 1, 2016.

According to the petition, cash requirements associated with Petitioner’s construction program will be provided by means of internally generated funds, and, to the extent necessary, through external financing. However, Petitioner anticipates that short-term external financing will also be needed to provide for temporary financing of construction program expenditures and other general corporate transactions. Petitioner has requested that the Board extend to January 1, 2018, the authorization previously granted by this Board in its Order dated December 18, 2013 in BPU Docket No. EF 13080772 relating to the issuance of Short-Term Debt by the Petitioner and to continue the limit of that authorization of \$350 million with regard to the aggregate amount of Short-Term Debt that may be outstanding at any one time.

Board Staff has reviewed the continuing electric construction program of Petitioner for which a portion of these moneys is intended as temporary financing, and has found that the funds for the construction program, if used as represented, will be used for utility purposes to allow Petitioner to expand and improve its facilities.

The Division of Rate Counsel (“Rate Counsel”) has reviewed this matter and, by letter dated [], stated that it is not opposed to Board approval of this petition.

The Board, after investigation, having considered the petition and exhibits submitted in this matter along with the recommendations of Board Staff and Rate Counsel, and being satisfied that issuance, from time to time, of Short-Term Debt as proposed by Petitioner is to be made in accordance with law and is in the public interest, and approving the purposes thereof, **HEREBY ORDERS** that Petitioner be and is **HEREBY AUTHORIZED** to issue unsecured short-term indebtedness payable not more than twelve (12) months after the date or dates thereof, from time to time, prior to January 1, 2018, in an aggregate principal amount outstanding at any one time not in excess of \$350 million.

This Order is issued subject to the following provisions:

1. Within 30 days after the close of each fiscal quarter, Petitioner shall file with the Board a statement setting forth in reasonable detail the amounts of its unsecured indebtedness outstanding, the dates of issue and maturity, and the rates of interest thereon.
2. This Order shall not be construed as a certification that the securities proposed to be issued will be represented by tangible or intangible assets of commensurate value or investment costs.
3. This Order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioner.
4. This Order shall not affect or in any way limit the exercise of the authority of this Board or of this State, in any future petition or in any proceeding with respect to rates, franchises, service, financing, accounting, capitalization, depreciation or in any other matter affecting the Petitioner.
5. Petitioner shall submit to the Office of the Economist and to Board Staff copies of all resolutions that shall be adopted by the Board of Directors of Petitioner during the term of this Order, which shall have the effect of changing the amount of unsecured indebtedness within the limits established by this Order. Such submittals shall be for informational purposes only, and shall be made within ten (10) days following the taking of such action by Petitioner's Board of Directors.
6. On each day where the Petitioner determines that it requires short-term funds in the form of commercial paper, Petitioner shall first use commercially reasonable efforts to obtain competitive bids from at least three (3) commercial paper dealers. Petitioner shall then select the bid that offers the best terms at the lowest rate to Petitioner and to its New Jersey ratepayers. Petitioner shall maintain documentation as to such efforts to maintain competitive bids from at least three (3) commercial paper dealers. Such documentation shall be supplied to Board Staff or Rate Counsel upon request.
7. Petitioner is obligated to conduct its short-term borrowing at the lowest reasonable cost.

8. All Short-Term Debt issued pursuant to the authority granted by this Order is to be used to fund utility operations and investments only, not to fund unregulated affiliates.
9. The Board's approval of the Petition does not constitute pre-approval of any cost recovery from customers or rate setting.
10. Petitioner retains the obligation to use a prudent mix of capital to finance its utility operations and investments to provide service at lowest reasonable costs.
11. Rate Counsel has reserved all rights to take appropriate positions in any future Board proceedings involving Petitioner.
12. The authority granted in this Order shall become null and void and of no effect with respect to any portion which is not exercised prior to January 1, 2018.

DATED: _____, 2015

NEW JERSEY BOARD OF PUBLIC UTILITIES
BY:

**IN THE MATTER OF THE PETITION
OF ATLANTIC CITY ELECTRIC
COMPANY PURSUANT TO N.J.S.A. 48:2-
13 AND N.J.S.A. 48:3-9 FOR AUTHORITY
TO ISSUE UP TO \$350 MILLION OF
SHORT-TERM INDEBTEDNESS PRIOR
TO JANUARY 1, 2018**

**STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES**

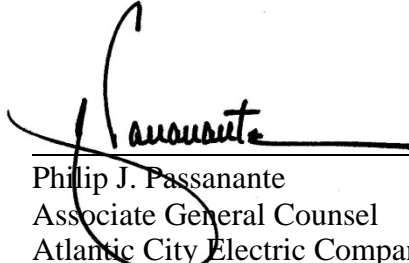
CERTIFICATION OF SERVICE

PHILIP J. PASSANANTE, of full age, certifies as follows:

1. I am an attorney at law of the State of New Jersey and serve as Associate General Counsel to Atlantic City Electric Company, the Petitioner in the within matter, with which I am familiar.
2. I certify that, on September 10, 2015, I caused an original and eleven (11) copies of the within Verified Petition of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for Authority to Issue Short-Term Indebtedness Prior to January 1, 2018 (the “Petition”) to be sent by overnight courier service to Irene Kim Asbury, Esquire, Secretary of the Board, State of New Jersey, Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625. I also caused a complete copy to be sent by electronic mail to board.secretary@bpu.state.nj.us.
3. I further certify that, on September 10, 2015, I caused a complete copy of the Petition to be sent by First Class Mail to each of the parties listed in the attached Service List, except that copies to the Division of Rate Counsel were forwarded by overnight courier service, with a complete copy by electronic mail.

4. I further and finally certify that the foregoing statements made by me are true. I am aware that, if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: September 10, 2015


_____/jpr
Philip J. Passanante
Associate General Counsel
Atlantic City Electric Company
500 N. Wakefield Drive
Newark, DE 19702-5440
(302) 429-3105 – Telephone
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

In the Matter of the Petition of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for
Authority to Issue Up to \$350 Million of Short-Term Indebtedness Prior to January 1, 2018

BPU Docket No. _____

Service List

BPU

Irene Kim Asbury, Esquire
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
(609) 292-1599 – Telephone
irene.asbury@bpu.state.nj.us
board.secretary@bpu.state.nj.us

Paul Flanagan, Esquire
Executive Director
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
paul.flanagan@bpu.state.nj.us

Mark C. Beyer
Chief Economist
Board of Public Utilities
44 South Clinton Avenue, 4th Floor
P.O. Box 350
Trenton, NJ 08625-0350
mark.beyer@bpu.state.nj.us

Bethany Rocque-Romaine, Esquire
Legal Specialist
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
bethany.rocque-romaine@bpu.state.nj.us

Cynthia Covie, Esquire
Chief Counsel
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
cynthia.covie@bpu.state.nj.us

Jerome May
Director, Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
jerome.may@bpu.state.nj.us

Christine Lin
Board of Public Utilities
44 South Clinton Avenue, 4th Floor
P.O. Box 350
Trenton, NJ 08625-0350
christine.lin@bpu.state.nj.us

Robert Schultheis
Analyst
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625-0350
robert.schultheis@bpu.state.nj.us

DIVISION OF LAW

Babette Tenzer, Esquire
Deputy Attorney General
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101
(973) 648-3441 – Telephone
(973) 648-3555 – Facsimile
babette.tenzer@dol.lps.state.nj.us

Carolina Vachier, Esquire
Deputy Attorney General
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101
caroline.vachier@dol.lps.state.nj.us

RATE COUNSEL

Stefanie A. Brand, Esquire
Director
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
(609) 984-1460 – Telephone
sbrand@rpa.state.nj.us

Ami Morita, Esquire
Deputy Public Advocate
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
amorita@rpa.state.nj.us

Diane Schulze, Esquire
Deputy Public Advocate
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
dschulze@rpa.state.nj.us

Kurt Lewandowski, Esquire
Deputy Public Advocate
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
klewando@rpa.state.nj.us

Lisa Gurkas
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
lgurkas@rpa.state.nj.us

ACE

Philip J. Passanante, Esquire
Atlantic City Electric Company
92DC42
500 N. Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
(302) 429-3105 – Telephone
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

Jeffery E. Snyder
Assistant Treasurer
Atlantic City Electric Company
92DC33
500 N. Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
(302) 429-3667 – Telephone
(302) 429-3188 – Facsimile
jeff.snyder@pepcoholdings.com

Roger E. Pedersen
Manager, New Jersey
Regulatory Affairs
Atlantic City Electric Company
63ML38
5100 Harding Highway
Mays Landing, NJ 08330
(609) 625-5820 – Telephone
(609) 625-5838 – Facsimile
roger.pedersen@pepcoholdings.com