

Attachment 1

ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV Revised Sheet Replaces Revised Sheet No. 60

RIDER (BGS)
Basic Generation Service (BGS)

Basic Generation Service (BGS) will be arranged for any customer taking service under Electric Rate Schedules RS, MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary, AGS Primary, TGS, DDC, SPL, and CSL who has not notified the Company of an Alternative Electric Supplier choice. BGS is also available to customers whose arrangements with Alternative Electric Suppliers have terminated for any reason, including nonpayment.

BGS is offered under two different terms of service; Basic Generation Service-Residential Small Commercial Pricing (BGS-RSCP) and Basic Generation Service -Commercial and Industrial Energy Pricing (BGS-CIEP). BGS-RSCP is offered to customers on Rate Schedules RS, DDC, SPL and CSL. BGS-RSCP is also offered to customers on Rate Schedules MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary, AGS Primary with an annual peak load share ("PLS") for generation capacity of less than 500 kW as of November 1 or each year. Additionally, BGS customers on Rate Schedule RS have the option of taking BGS-RSCP on a time of use basis.

BGS customers on Rate Schedule TGS and BGS customers on Rate Schedules MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary or AGS Primary with a PLS for generation capacity equal to or greater than 500 kW as of November 1 of each year are required to take service under BGS-CIEP.

Customers on Rate Schedules MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary or AGS Primary with a PLS of less than 500 kW, have the option of taking either BGS-RSCP or BGS-CIEP service. Customers who elect BGS-CIEP must notify the Company of their selection no later than the second working day of January of the year they wish to begin BGS-CIEP service. Such election will be effective on June 1 of that year and remain as the customer's default supply for the following twelve months. Customers electing BGS-CIEP as their default supply in a prior procurement period and who are otherwise eligible to return to BGS-RSCP may return to BGS RSCP by notifying the Company no later than the second working day of January of the year that they wish to return to BGS-RSCP service. Such election shall be effective on June 1 of that year.

| BGS-RSCP Supply Charges (\$/kWh): | SUMMER | WINTER |
|--|------------------------|---------------------|
| Rate Schedule | June Through September | October Through May |
| RS | | \$ x.xxxxxx |
| <=750 kWhs summer | \$ x.xxxxxx | |
| > 750 kWh summer | \$ x.xxxxxx | |
| RS TOU BGS Option | | |
| On Peak (See Note 1) | \$ x.xxxxxx | \$ x.xxxxxx |
| Off Peak (See Note 1) | \$ x.xxxxxx | \$ x.xxxxxx |
| MGS-Secondary and MGS-SEVC | \$ x.xxxxxx | \$ x.xxxxxx |
| MGS-Primary | \$ x.xxxxxx | \$ x.xxxxxx |
| AGS-Secondary | \$ x.xxxxxx | \$ x.xxxxxx |
| AGS-Primary | \$ x.xxxxxx | \$ x.xxxxxx |
| DDC | \$ x.xxxxxx | \$ x.xxxxxx |
| SPL/CSL | \$ x.xxxxxx | \$ x.xxxxxx |

Note 1: On Peak hours are considered to be 8:00 AM to 8:00 PM, Monday through Friday.

The above Basic Generation Service Energy Charges reflect costs for Energy, Generation Capacity, Ancillary Services and Administrative Charges pursuant to N.J.S.A. 48:2-60 plus New Jersey Sales and Use Tax as set forth in Rider SUT.

Date of Issue:

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ATLANTIC CITY ELECTRIC COMPANY

BPU NJ No. 11 Electric Service - Section IV Revised Sheet Replaces Revised Sheet No. 60a

**RIDER (BGS) continued
Basic Generation Service (BGS)**

BGS Reconciliation Charge (\$/kWh):

The above charge shall recover the difference between the monthly amount paid to Basic Generation Service (BGS) suppliers and the total revenue from customers for BGS for the preceding months for the applicable BGS supply. These charges include New Jersey Sales and Use Tax as set forth in Rider SUT and are changed on June 1 and October 1 of each year.

| Rate Schedule | Charge (\$ per kWh) |
|--|---------------------|
| RS | \$ 0.001710 |
| MGS Secondary, MGS-SEVC, AGS Secondary, SPL/CSL, DDC | \$ 0.001710 |
| MGS Primary, AGS Primary | \$ 0.001665 |

BGS-CIEP

Energy Charges

BGS Energy Charges for Rate Schedule TGS, AGS and MGS customers with a Peak Load Share (PLS) of 500 kW or more, and AGS and MGS customers with a PLS of less than 500 kW who have elected BGS-CIEP are hourly and are provided at the real time PJM Load Weighted Average Residual Metered Load Aggregate Locational Marginal Prices for the Atlantic Electric Transmission Zone, adjusted for losses, plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT.

Generation Capacity Obligation Charge

| Charge per kilowatt of Generation Obligation (\$ per kW per day) | Summer \$x.xxxxxx | Winter \$x.xxxxxx |
|--|----------------------|----------------------|
| | | |

This charge is equal to the winning bid price from the BGS-CIEP default service auction plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. The above charge shall be applied to each customer's annual peak load share ("PLS") for generation capacity, adjusted for the applicable PJM-determined Zonal Scaling Factor and the applicable PJM-determined capacity reserve margin factor, on a daily basis for each day in each customer's respective billing cycle.

Ancillary Service Charge

| | Charge (\$ per kWh) |
|---|------------------------|
| Service taken at Secondary Voltage | \$ x.xxxxxx |
| Service taken at Primary Voltage | \$ x.xxxxxx |
| Service taken at Sub-Transmission Voltage | \$ x.xxxxxx |
| Service taken at Transmission Voltage | \$ x.xxxxxx |

This charge represents the average annual cost of Ancillary Services in the Atlantic Electric Transmission zone adjusted for losses, plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT.

BGS Reconciliation Charge:

| | Charge (\$ per kWh) |
|---|------------------------|
| Service taken at Secondary Voltage | \$ 0.013106 |
| Service taken at Primary Voltage | \$ 0.012763 |
| Service taken at Sub-Transmission Voltage | \$ 0.012618 |
| Service taken at Transmission Voltage | \$ 0.012495 |

The above charge shall recover the difference between the monthly amount paid to Basic Generation Service (BGS) suppliers and the total revenue from customers for BGS for the preceding months for the applicable BGS supply. These charges include administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT and are changed on June 1 and October 1 of each year.

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RIDER (BGS) continued

Basic Generation Service (BGS)

CIEP Standby Fee

\$x.xxxxxx per kWh

This charge recovers the costs associated with the winning BGS-CIEP bidders maintaining the availability of the hourly priced default electric supply service plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all CIEP- eligible customers on Rate Schedules MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary, AGS Primary or TGS.

Transmission Enhancement Charge

This charge reflects Transmission Enhancement Charges ("TECs"), implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" (as defined in Schedule 12 of the PJM OATT) that are requested by PJM for reliability or economic purposes and approved by the Federal Energy Regulatory Commission (FERC). The TEC charge (in \$ per kWh by Rate Schedule), including administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT, is delineated in the following table.

Rate Class

| | <u>RS</u> | <u>MGS Secondary And MGS- SEVC</u> | <u>MGS Primary</u> | <u>AGS Secondary</u> | <u>AGS Primary</u> | <u>TGS</u> | <u>SPL/ CSL</u> | <u>DDC</u> |
|-------------------------|------------------------|--|------------------------|--------------------------|------------------------|------------------------|---------------------|------------------------|
| VEPCo | 0.000367 | 0.000278 | 0.000256 | 0.000179 | 0.000156 | 0.000133 | - | 0.000114 |
| TrAILCo | 0.000300 | 0.000250 | 0.000170 | 0.000173 | 0.000138 | 0.000101 | - | 0.000104 |
| PSE&G | 0.003256 | 0.002478 | 0.002276 | 0.001591 | 0.001385 | 0.001184 | - | 0.001018 |
| PATH | 0.000010 | 0.000007 | 0.000006 | 0.000004 | 0.000004 | 0.000003 | - | 0.000003 |
| PPL | 0.000090 | 0.000068 | 0.000063 | 0.000044 | 0.000038 | 0.000033 | - | 0.000028 |
| PECO | 0.000211 | 0.000175 | 0.000119 | 0.000123 | 0.000097 | 0.000071 | - | 0.000074 |
| Pepco | 0.000021 | 0.000018 | 0.000013 | 0.000013 | 0.000010 | 0.000007 | - | 0.000007 |
| MAIT | 0.000042 | 0.000032 | 0.000029 | 0.000020 | 0.000018 | 0.000015 | - | 0.000013 |
| JCP&L | 0.000003 | 0.000002 | 0.000002 | 0.000001 | 0.000001 | 0.000001 | - | 0.000001 |
| EL05-121 | 0.000019 | 0.000015 | 0.000013 | 0.000010 | 0.000009 | 0.000006 | - | 0.000006 |
| Delmarva | 0.000009 | 0.000007 | 0.000005 | 0.000005 | 0.000004 | 0.000003 | - | 0.000003 |
| BG&E | 0.000049 | 0.000041 | 0.000028 | 0.000029 | 0.000022 | 0.000017 | - | 0.000017 |
| AEP-East | 0.000081 | 0.000062 | 0.000057 | 0.000039 | 0.000034 | 0.000030 | - | 0.000026 |
| Silver Run | 0.000325 | 0.000247 | 0.000227 | 0.000159 | 0.000139 | 0.000118 | - | 0.000101 |
| NIPSCO | 0.000003 | 0.000002 | 0.000002 | 0.000002 | 0.000001 | 0.000001 | - | 0.000001 |
| CW Edison | - | - | - | - | - | - | - | - |
| ER18-680 & Form 715 | - | - | - | - | - | - | - | - |
| SFC PSEG ROE- TEC | 0.000004 (0.000112) | 0.000003 (0.000094) | 0.000003 (0.000064) | 0.000002 (0.000065) | 0.000002 (0.000052) | 0.000002 (0.000038) | - | 0.000001 (0.000039) |
| Total | 0.004678 | 0.003591 | 0.003205 | 0.002329 | 0.002006 | 0.001687 | - | 0.001478 |

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