

Atlantic City Electric Submits Plans for \$14.9 Million Electric Vehicle Program

Atlantic City Electric has petitioned the Board of Public Utilities for approval to implement a \$14.9 million electric vehicle (EV) incentive program for customers interested in purchasing and operating EVs.

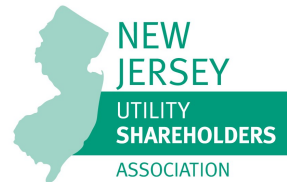
Key offerings outlined in the proposal include:

- Special reduced electric rates for residential customers with EV's who charge their vehicles during off peak hours
- Discount of 50 percent off equipment and installation costs for residential customers who install a Level 2 smart charging stations at their home
- Discount of 50 percent off equipment costs for commercial customers who own/operate a condominium and/or apartment complex or any local business/office building with garage parking who install Level 2 smart charging station(s) at their complex, building or place of business
- Installation and management of 30 direct current fast chargers along main transportation corridors, and up to 150 Level 2 charging stations along major roadways and neighborhoods within the company's service area
- Creation of a \$2 million innovation fund created to provide grants for projects designed to advance EV charging across the state

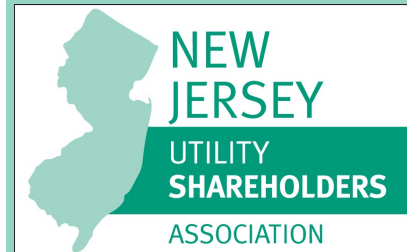
Atlantic City Electric will begin offering the incentive program within two months of receiving approval from the Board of Public Utilities.

"Our customers are demonstrating their interest in electric vehicle technology," said Vince Maione, Atlantic City Electric region president. "These programs both incentivize customers to pursue an EV option as their next vehicle purchase and provide them with the peace of mind that new charging options will be available to meet their fueling needs across South Jersey."

**TO LEARN MORE ABOUT NJUSA, CONTACT US DIRECTLY:
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117 N. Church Street, Moorestown, NJ 08057



Atlantic City Electric linemen work to repair powerlines and restore power after Winter Storm Toby hit southern New Jersey.



NJUSA Insight

What to Know and Do in the Event of a Power Outage

Even as millions of dollars have and will continue to be spent to make the electric grid more resilient, it is not possible to guarantee that there will never again be any power outages. Mother nature cannot be perfectly predicted, controlled or avoided. When severe weather delivers high winds, side-blowing rain or heavy snow or ice, downed trees and branches can be expected, and those trees can hit and compromise utility wires and poles.

Electric outages pose a safety issue for people whose lives are dependent on home-based electric-powered medical equipment, for hospitals, nursing homes, fire and police stations. Utilities prioritize restoration to those places (when they have been informed of them) that are essential to public

health and safety. But even then, if there are fallen trees blocking roads, reaching every location experiencing an outage can take some time as the utilities must wait for the trees and branches to be removed, a task which typically falls to local governments.

When there is extensive storm damage in many locations, having sufficient manpower to dispatch crews to every location that power needs to be restored is a challenge. It is not financially feasible to keep people on the payroll that are only needed for storm restoration, so contractors and utility personnel from areas not impacted by the storm, and sometimes from companies as far away as Ohio or Wisconsin, are critically important and much needed to supplement the utility's employees.

Because the utilities have invested in communications systems that make it easier for customers to alert them of power outages, the companies are now better able to determine locations of outages. Having outage location information is crucial to making decisions about where to dispatch restoration crews. For now, at least, utilities typically cannot know what areas are experiencing an outage without some information from customers. As digital technology is acquired to enable automatic two-way communication between key points on the distribution network and the utility as to operating status, the dependence on customer communication about outages will need to continue.

A MESSAGE FROM THE PRESIDENT

Dear Members,

As with any incoming administration, the learning curve about the utility sector can be steep. However, since everyone interfaces with utilities as consumers and service is reliable most of the time, service is taken for granted and unfortunately, the complexities involved in delivering service are not always understood.

Unfortunately, the process involved in restoring electricity after a major storm is also not well understood. Public impatience with the amount of time it takes to restore power after a storm is palpable. Being without the things we have grown to expect will always be available is an annoyance and a huge inconvenience.

For those of our members who lost power for more than a few hours due to the recent nor'easters, I understand the frustration that can result. While I cannot change the past, what I can do, consistent with NJUSA's mission, is share information that might give you a better understanding of why these types of outages occur and what is involved to restore power afterwards.

While having a better understanding can't prevent a future outage, hopefully it can allow you to better plan what you can do to support your needs until the lights are back on. The article on page 1 and the tips on page 2 attempt to do just that.

Karen D. Alexander
President

News Briefs

- NJUSA files testimony in New Jersey American Water Rate Case.
- PSEG Seeks Legislation to Preserve Existing Nuclear Plants See article on page 3.
- PSE&G granted approval of new rates by the NJ BPU. Decision will take effect June 2018, and in addition to modest rate increase, modifies the allowed calculation of depreciation expense and other changes.
- Governor appoints New Jersey Resources Executive Lawrence Downes chairman of the New Jersey Economic Development Authority. NJUSA congratulates Larry on his appointment and continued leadership role in New Jersey.
- Kathleen Lally, Vice President of Investor Relation for Public Relations Enterprise Group, will retire from her position at the end of June.

Save the Date for Upcoming NJUSA Events

Annual Membership Luncheon
Wednesday, May 23 at Holiday Inn & National
Conference Center in East Windsor
featuring Ralph A. LaRossa,
President & COO, PSEG Power

Tour of PSEG's Salem Nuclear Power Plant
Wednesday, July 25

North Jersey Lunch & Learn
Wednesday, August 8 at Hasbrouck Heights Holiday
Inn in Hasbrouck Heights

Central Jersey Lunch & Learn
Wednesday, September 12
at The Radisson Hotel of Freehold

*All luncheon events take place from noon to 2 p.m.
Registration begins at 11:30 a.m. To confirm your
attendance for any of these events, please contact
Hailey at 856-840-4089.*

Prepare Before the Storm Hits

For safety and sanity's sake, ensure you're prepared for power outages with these important tips from the New Jersey Board of Public Utilities.

- **Compile important numbers** – Be sure to have access to important numbers in case of emergency. Include your electric utility number to report outages.
- **Fill up the car** – Sometimes outages can impact service stations. Fill your gas tank before the storm, and if a state of emergency is declared, stay off the roads – don't drive.
- **Have extra batteries** – Radios and flashlights are great to have on hand – be sure to have extra batteries just in case.
- **Keep devices charged** – Make sure your cell phone, computer and other devices are fully charged.
- **Get water, blankets** – If you have a well, be sure to get bottled water for you and your family and pets. Also, have blankets available and food that does not require cooking.

What to Know and Do in the Event of a Power Outage *continued*

Some ask why there seems to be more electric outages or longer periods of time before restoration. To whatever the cause can be attributed, it is an indisputable fact that many areas of the United States, including New Jersey, are experiencing more severe, more destructive and more frequent major storm events than ever before in recorded history. Additionally, in today's digital world, Americans are infinitely more dependent on electric-powered devices than ever before.

Generations following the Baby Boomer generation likely do not know life without air conditioning, cell phones, televisions, computers, etc. While these technological advances have provided undeniable conveniences, today's expectations of utility service are not well-matched with the

realities of the electric grid – even one that's been upgraded and more resilient. The memory of battery-powered transistor radios and candles during the blackout of 1965 is a long-ago memory of "the older generation." It is true that the '65 blackout lasted only half a day, not a week, and another like it didn't hit the East Coast until 2003. However, both events were triggered not by major weather events but by the cascading electrical fault of interdependent and intercontinental transmission lines that could be more readily identified and repaired than thousands of felled trees and distribution lines.

The BPU will conduct an inquiry into the electric utilities' response to the most recent storm to determine what changes, if any, will be needed.

NJUSA Submits Testimony to Preserve Nuclear Power

Issues affecting utilities and/or their parent companies are already front and center in the Legislature's agenda. Among the bills introduced at the start of the new legislative session was one to prevent the premature retirement of PSEG's three nuclear units. This was a reintroduced version of the bill NJUSA testified in support of in December, which died at the end of the last legislative session due to heated opposition from the New Jersey Rate Counsel, numerous environmental and citizens organizations, representatives of some large industrial electricity consumers and PSEG competitors. The opposition makes two primary arguments: 1) the cost to ratepayers if BPU decides financial support for the plants is necessary to protect New Jersey's energy future would be too high and 2) financial support would favor PSEG in the marketplace and disadvantage its competitors.

What the opposition ignores is the impact on New Jersey ratepayers if PSEG had to close the plants. There is not sufficient in-state capacity from natural gas and renewable energy sources to make up the difference, so New Jersey would have to import electricity from out-of-state generators to match the nearly 40 percent of electricity now supplied by in-state nuclear plants. Additionally, the argument about disadvantaging PSEG's competition fails to recognize that for more than two decades, the plants have benefitted the entire state and provided good-paying jobs and significant economic support to the surrounding local communities which could not be replaced by out-of-state competitors. Senate President Sweeney is the primary sponsor of the new bill. It is important to note that this bill does not guarantee financial support to the nuclear plants but sets up

a mechanism to allow PSEG to apply to the BPU for support if continued operation of its Hope Creek and Salem generating stations is no longer profitable.

The nature of the debate and issues under discussion have shifted dramatically since the bill was first introduced in January. In furtherance of Governor Phil Murphy's commitment to renewable energy, the bill was amended significantly to provide additional incentives and support for energy efficiency and renewable energy, including offshore wind. These changes risked the bill dying under its own weight. As this newsletter goes to press, the clean energy and nuclear provisions have been separated into separate bills, but the prospects for either are as yet unclear. NJUSA will keep you informed as these important issues unfold.

On April 5, the nuclear bill was approved by both the Senate and Assembly committees of jurisdiction.

If all goes as expected, the bill should be voted on in the Senate and Assembly soon.

Contact Hailey at hailey@thomasboyd.com for a copy of NJUSA's testimony.