



A Pepco Holdings, Inc. Company

ACE Green Power Connection™ Program (aka Net Energy Metering)



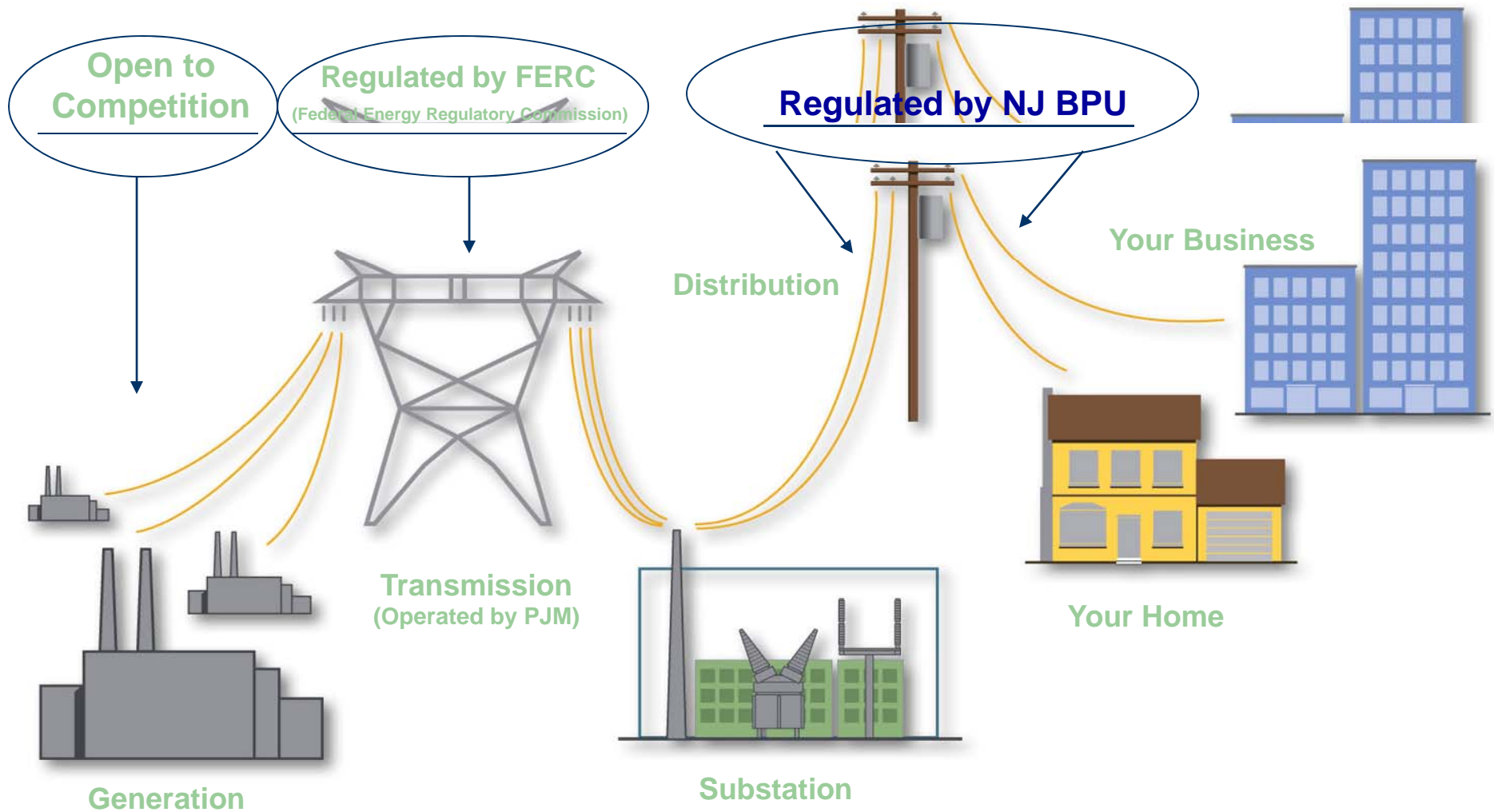
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PHI Customer Relations

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ACE Green Power Connection™ Program (GPC)/Net Energy Metering (NEM)

- Connecting to the ACE System
 - Options
 - Regulations
 - Considerations
 - Process
 - Customer
 - ACE
- ACE view of Solar for Residential & Business Customers
 - ACE Support
 - Statistics
 - Company View
 - Commitment to Customers
 - Contact Information

Know How Electricity Gets To You In A Deregulated Industry



Green Generation Options

- Customers may generate their own electricity using qualified “green” (or renewable) resources:
 - **Solar**
 - Wind
 - Bio Mass
 - Fuel Cell

NJ Board of Public Utilities (BPU) Net Metering General Provisions

- All electric distribution companies (EDCs) and supplier/providers...shall offer net metering to their residential and small commercial customers...that generate electricity, on the customer's side of the meter using class I renewable energy sources, provided that the generating capacity of the customer-generator's facility does not exceed two (2) megawatts (MW)...

ACE Net Energy Metering (NEM) Tariff

- Current NJ BPU approved Net Metering provisions:
 - Customer must submit Application for review/approvals
 - Maximum generation capacity 2 MW (2000 kW)
 - Generator installation must meet all applicable national, state and local construction and safety codes
 - Customer shall provide disconnecting device on ACE side of the interconnection
 - Requires net energy meter capable of measuring energy flow into & out of customer generator
 - Upon written approval by ACE, customer may commence operation of generator

Additional NEM Tariff Requirements

- Utility/Supplier shall credit any excess kwhrs generated on monthly bill
- Excess credits accrue on each monthly bill until generator's annualized period (12 month settlement) is reached
- Customer shall have one time option to select month for annualized period
- Utility shall compensate generator for any excess kwhs remaining at annualized period – typically 12 months

GPC/NEM Customer Considerations

- Research the types of generator systems available
- Know renewable energy-generating system can be sized to meet all, or part, of overall energy needs
- Decide which type of system is best suited to meet specific energy needs
- Consider available state renewable energy incentives such as grants, tax incentives, solar renewable energy credits (SRECS)

GPC/NEM Customer Considerations

- Atlantic City Electric does not sell or install renewable generation systems
- Interview and select a reputable installing contractor, who will assist customer with optimal configuration
- Contractors typically handle the interconnection application process, permits, inspections, rebate forms, etc. on behalf of the customer
- Once decision is made to install a solar/wind unit, critical to follow the application process to facilitate review and acceptance of application prior to installation and operation of generator

ACE GPC/NEM Application Process

- Customers must first submit an application to ACE for approval to link their generator to the grid
- This Assures:
 - Safety
 - Compatibility with utility's electrical system
 - Compliance with ACE Interconnection Application/Agreement, IEEE 1547 & BPU's regulations/tariffs & interconnection rules

GPC/NEM Application Process Steps

- Customer/Contractor (customer agent) submits GPC Application
- ACE approves installation plan for qualified (solar/wind) generator facility
- Customer/Contractor Installs Solar or Wind Generation Facility.
- Customer/Contractor completes local electrical inspection & obtains local inspection approval certificate
- Customer/Contractor submits Certificate of Completion Form & Inspection Approval Certificate
- Utility installs/verifies “net energy capable” meter
- Utility provides final approval for operation of generator & sends final approval paperwork
- Customer makes one time selection of month for annualized end period

Net Energy Capable Meter – (NEM) How Does it Work?

- NEM is bi-directional (energy flows forward & backward)
- NEM capable of measuring flow of energy into or out of customer facility (“net” meter reading records this)
 - On days when customer produces more energy than used, electric meter runs in reverse, reflecting the energy Customer sends back to the Utility power grid
 - On days when customer generates less than required, must use energy from the grid, the meter runs forward as it normally would to record energy used from the grid
- Usage on customer’s bill decreased by energy produced by generator facility

GPC/NEM Billing

- Customer's monthly ACE bill will include the standard customer charges
- Energy supply portion of the bill reflects charges for "net" amount of energy used. (i.e.: we first subtract the kilowatt-hours of electricity produced from the amount you used – resulting in lower energy costs)
- If net meter reading shows customer generates excess usage for entire bill period, then excess kWhrs will be shown on bill
- If applicable, excess kWhrs carry forward to be applied to future monthly bills
- Continues until end of annualized period (month) selected by Customer
- Customer generator owns any attributes and has option to sell or trade to another or apply to the BPU for SRECs

ACE GPC/NEM Team Support

- Handles Green Power Connection application processing & related inquiries from Customers/Contractors
- Partners with Customer/Contractor to assure timely and successful application process
- Notifies customer/contractor upon completion of each step
- Provides final approval and application documentation
- Facilitates customer billing inquiries
- Provides BPU with tracking & reporting data

ACE GPC/NEM Stats

- As Of January 2010:
 - There are 1114 active NJ GPCs
 - **1103 Solar Generators**
 - 15 Wind Generators
 - 1 Fuel Cell
 - 930 generators w/10 kw capacity or less
 - 139 generators w/ 10-50 kw capacity
 - 16 generators w/50 to 100 kw capacity
 - 27 generators w/100 to 500 kw capacity
 - 2 generators w/500 to 2000 kw capacity

Pepco Holdings Inc. View of Renewable Energy

- Pepco Holdings Inc., fully supports clean energy alternatives for customers in all of jurisdictions
 - Atlantic City Electric- New Jersey
 - Delmarva - Delaware, Maryland,
 - Pepco - Maryland & Washington, DC
- PHI Values:
 - Safety
 - The Environment
 - Planning for the Future
 - **Our Customers!**

PHI GPC/NEM Commitment

- Trademarked Green Power Connection™ Program to offer customers across all Company brands
- Established GPC/NEM Web Sites for all Company Brands to assist customer in interconnection efforts
- Established GPC Teams (North & South) to handle GPC application process & inquiries
- Volunteered to participate in US Department of Energy Solar Decathlon Event - Washington, DC - Fall 2009
- Participate in multiple community Meetings with Customers & Contractors

Contact ACE's Green Power Connection Team

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Summary

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Questions?



Customer Benefits

- Clean, renewable energy preserves the environment
- Contributes to state renewable energy initiatives
- Decreases usage on Customer's electric bill
- Provides access to renewable incentives

ACE GPC/NEM Stats

- As of December 2009, Atlantic City Electric has:
 - 1063 “Active” Green Power Connection customers
 - 370 Pending GPC Applications (awaiting utility approval for install, customer/contractor generator installation, or net energy capable meter verification)