

COMMUNITY FOCUS

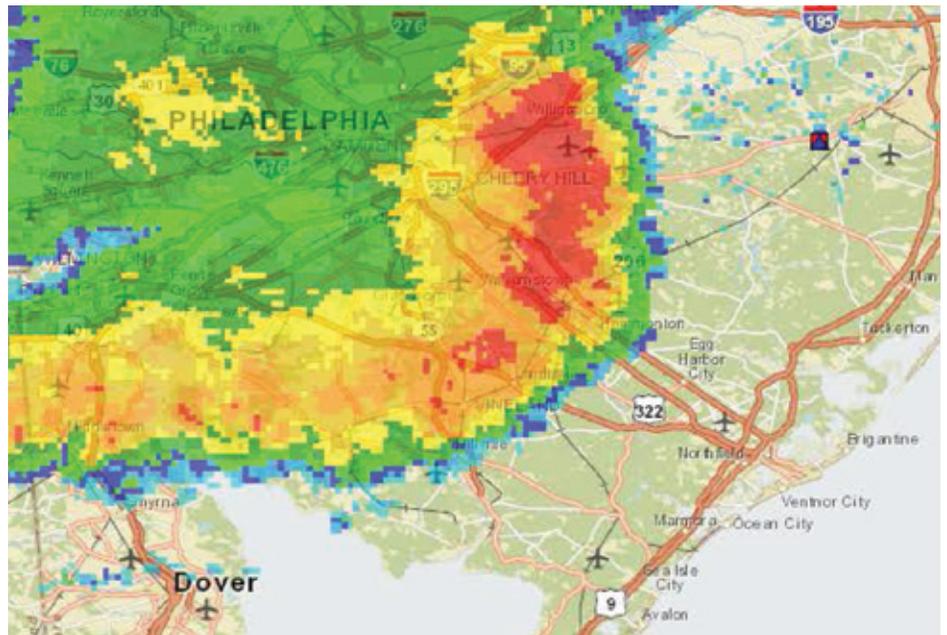


Restoring Power Quickly and Safely is Our Priority

Summer Storm Rivals Derecho and Hurricane Sandy

On June 23, a brief, but intense storm moved swiftly across a wide swath of the mid-Atlantic region and produced an anomaly called a bow echo resulting in substantial damage to Atlantic City Electric's infrastructure. The damage was concentrated in Gloucester, Camden, Burlington and Atlantic counties and approximately 280,000 customers lost power. While the majority of our customers were restored by that Friday, the outage restoration lasted into Monday, June 29.

The storm of June 23 was uniquely challenging for our restoration teams for two reasons: timing and nature of damage. Up until an hour before the storm hit, we were receiving weather information that reflected the potential for a strong storm capable of sporadic outages. Within an hour of the storm striking, the



In a bow echo, the force and speed of the winds create the shape of a bow, with the most damaging part of the storm being the center of the bow's curve.

alert was increased to red. In addition to severe damage to distribution systems (the poles and wires that bring power to homes and business), we also lost several transmission

lines and substations (the backbone of our infrastructure that provides power to the distribution system).

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June 23 Storm Areas of Improvement: **WE HEARD YOU**

Recently identified areas of improvement include:

- Immediate, proactive communications through multiple channels with our local, county and state officials, including regulators and emergency response personnel such as the Red Cross
- Early assessment of storm damage and initial estimates for the restoration time-frame
- Updates continue until all customers are restored
- Quicker coordination with county offices of emergency management (OEM) for faster wires down assistance
- Early media briefings on restoration progress
- Information on restoration progress to municipalities for use on their information systems
- Mobile app upgrade coming later this year

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Preparing For Storms

Aside from the system-strengthening upgrades and repairs we do all year help reduce the risk of outages, we also work to prepare for storms. Company-wide drills are conducted annually based on different emergency scenarios, teams meet with and share information with local and state Offices of Emergency Management. Additionally, our Second Role Program requires every employee in the company to take another responsibility during events with extensive power outages.

Crisis Team Activation

Our Incident Management Team is comprised of specialized and trained teams of employees, all serving in roles specifically designed for crisis response. The objective of the entire team is to provide key audiences with timely and accurate information

through all available channels for the duration of an extended outage. Our Crisis Information Center (CIC) uses the Joint Information Center model of activation, which is designed specifically for crisis communications and is recognized by the Department of Homeland Security. Should a storm or other emergency cause extensive outages, we follow a strict protocol to mobilize and activate emergency teams. For instance, the CIC was activated about one hour after the June 23 storm and teams were called to immediate duty. The CIC remained open until the following Tuesday when restoration was completed.

The teams encompass critical areas such as Command, Planning, Operations, Safety, Communications, Government Affairs, Regulatory and Customer Care and all have specific duties to perform until all restoration is complete.

Command, Planning, Operations and Safety teams all work to prioritize repairs, set up staging areas, deploy crews, track progress, set restoration times, and coordinate the overall

restoration effort. Communications, Government Affairs, Regulatory and Customer Care teams work to provide the latest and most accurate information to customers, government officials, media and other key stakeholders. Liaisons are assigned to keep the flow of communication between the teams current and accurate. When a county and/or state OEM activates its own Emergency Operations Center, a call for staffing is initiated. Trained employees are assigned to OEMs in the role of External Liaison to streamline communication, work issues and provide a vital face-to-face link with the affected communities. The External Liaisons remain activated with 24-hour coverage for as long as the Emergency



Facts and Figures: June 23 Storm

- 17 transmission circuits out of service
- 5 substations completely without power
- 6 transmission poles replaced
- 135 distribution poles replaced
- 200 transformers replaced
- 100,000 feet of primary wire replaced
- 150,000 feet of secondary wire replaced
- 1,600 personnel contributed to the restoration effort, including support personnel
- Thousands of trees cleared
- Five staging areas assembled across two counties



Operations Center remains active. The partnership helps both sides. The OEM can more efficiently get status updates on power restoration and can ensure critical issues like hospitals without power or wires down are being addressed.

It may also be necessary to coordinate with organizations such as the American Red Cross, hold briefings for media and state and local government including the New Jersey Board of Public Utilities, conduct interviews, send outbound calls to customers and connect stakeholders to key company leaders to keep the flow of information active, timely and accurate. At the 48-hour mark during the June storm, we began working with the Red Cross to distribute water at locations within the hardest hit communities.

Prioritizing Restoration

Once a storm passes, and it is deemed safe to begin restoration, crews are first assigned to assess damage and report back to the command center so that deployment of repair crews can start. Specialized teams may need to clear trees from roadways and power lines before actual repair work can begin. During the assessment phase a determination is made whether or not Mutual Assistance crews will be requested to provide support, additional trucks and crews to aid the response. During restoration efforts, our crews work around the clock on 16-hour shifts to restore electric service to customers. Mutual assistance crews were requested immediately after the June storm and five staging areas in two counties were opened to dispatch crews.

During an event with extensive outages, it is necessary to prioritize the order in which repairs are made.

1. Downed live wires or potentially

life-threatening situations and public health and safety facilities without power

2. Transmission lines serving thousands of customers
3. Substation equipment that affects widespread areas
4. Main distribution lines serving large numbers of customers
5. Secondary lines serving neighborhoods
6. Service lines to individual homes and businesses



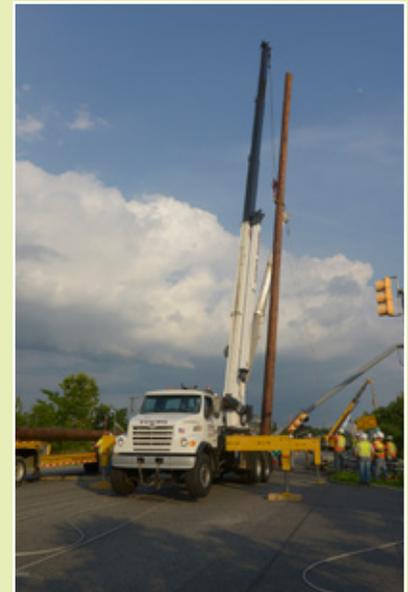
To watch a short video about power restoration after a storm, visit atlanticcityelectric.com/restorationvideo.

Requesting Mutual Assistance

No matter how well prepared we are, natural and man-made disasters can cause significant damage to the electric grid, and create widespread power outages. When disasters strike, power companies often turn to the industry's Mutual Assistance program to help restore power efficiently. The Mutual Assistance network is a voluntary partnership of electric utilities from across the country who have committed to supporting each other during emergency situations.

When a utility determines that it needs restoration assistance, it initiates a request through a regional group that coordinates and allocates experienced crews and other important resources like trucks and specialized heavy equipment. The Mutual Assistance program provides each partner utility with a defined support system that not only helps restore power faster, but also helps to ensure the safety of employees working around the clock.

In most instances, the activated Mutual Assistance crews are leaving their home states for multiple days and traveling long distances to help the company that has requested assistance. During the June storm, we received assistance from crews from as far away as New England, Ohio and Florida.





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Mobile App Updates

The Atlantic City Electric app has also undergone changes to make it quicker and easier to use, while integrating more features. Customers can:

- Report outages and get status updates
- Access My Account tools
- Use interactive outage maps to check the status of outages and view estimated restoration times
- Pay their bill

- Call Atlantic City Electric through a direct dial link
- View important company news
- Set up push notifications for outage info*

The app is free and available for the iPhone, Android and Blackberry. The app can be downloaded by visiting atlanticcityelectric.com/mobileapp on mobile devices.

*Push notifications currently available on iOS devices only

Atlantic City Electric Donates \$50,000 to Red Cross Disaster Relief

Atlantic City Electric recently presented \$50,000 to the American Red Cross Southern Shore Chapter in support of Red Cross storm-related disaster relief efforts. The donation will assist the Red Cross in providing emergency assistance in times of crisis. Atlantic City Electric previously donated a total of \$75,000 to support Red Cross disaster relief efforts after the derecho and Hurricane Sandy in 2012.

For more information about our proposed merger with Exelon, please visit acetomorrow.com.

For more information and updates, visit atlanticcityelectric.com, follow us on Twitter at twitter.com/ACElecConnect and Like us on Facebook at facebook.com/AtlanticCityElectric.

Do you have concerns or questions related to your community or constituents? If so, our public affairs managers are available to assist.

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