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May 11, 2020

VIA ELECTRONIC MAIL ONLY

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, NJ 08625
Board.secretary@bpu.nj.gov

Re: In the Matter of Jersey Central Power & Light Company's Verified Petition to Establish a New Rate Component of Its Rider RRC – RGGI Recovery Charge (“Rider RRC”) for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”) Incentive Program (“**JCP&L Initial TREC Rate Filing**”)

BPU Docket No. _____

Dear Secretary Camacho-Welch:

On behalf of Jersey Central Power & Light Company (“JCP&L” or the “Company”), attached please find for filing JCP&L's Verified Petition and supporting Attachments in the above-captioned matter relating to the establishment of a Transition Renewable Energy Credit (“TREC”) Rate as a component of the Company's Rider RRC Tariff. As noted in the Verified Petition, the Company is proposing that the TREC Rate be initially set at \$0.000523 per kilowatt-hour for all rate classes. In addition, due to the COVID-19 state of emergency, JCP&L is proposing that virtual public hearings on this Verified Petition be conducted at a date and at times agreed upon by the parties.

I hereby confirm that, consistent with the Board's March 19, 2020 Order in Docket No. EO20030254, an electronic copy of this filing is being provided today to the individuals listed on the attached Service List.

Please kindly confirm your receipt and acceptance of this filing at your earliest convenience. If you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Joshua R. Eckert
Counsel for Jersey Central Power & Light Company

In the Matter of Jersey Central Power & Light Company's Verified Petition
to Establish a New Rate Component of Its Rider RRC – RGGI Recovery Charge (“Rider RRC”)
for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”)
Incentive Program (“**JCP&L Initial TREC Rate Filing**”)

BPU Docket No. _____

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In the Matter of Jersey Central Power & Light Company's Verified Petition
to Establish a New Rate Component of Its Rider RRC – RGGI Recovery Charge (“Rider RRC”)
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BPU Docket No. _____

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-and-

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Purpose of Filing

3. The purpose of this filing is to establish a new rate component of the Company’s Rider RRC – RGGI Recovery Charge (“Rider RRC”) for recovery of the costs projected to be incurred by JCP&L pursuant to the Board-mandated transition renewable energy credit (“TREC”) incentive program (“TREC Program”) and to set an initial rate for same.

4. For the reasons set forth below, JCP&L is proposing the establishment of a TREC Rate as a component of the Company’s Rider RRC to recover the Company’s projected costs associated with the TREC Program and the setting of an initial rate for the TREC Rate at \$0.000523 per kilowatt-hour, exclusive of sales and use tax (“SUT”).

Procedural History

5. On May 23, 2018, the Clean Energy Act (codified, in relevant part, as N.J.S.A. 48:3-87) (the “Act” or “CEA”) was signed into law. The Act required, among other things, that the Board “adopt rules and regulations to close the SREC program to new applications upon the

attainment of 5.1 percent of the kilowatt-hours sold in the State by each electric power supplier and each basic generation provider from solar electric power generators connected to the distribution system.” N.J.S.A. 48:3-87(d)(3). The Act further required a study to be conducted to determine, among other things, whether “the Board can modify the SREC program such that the program will . . . provide an orderly transition from the SREC program to a new or modified program.” *Id.*

6. On December 19, 2019, the Board issued an Order in Docket No. QO19010068, *et al.*, (the “TREC Proceeding”) (“December 19, 2019 Order”), establishing a transition renewable energy credit (“TREC”) program to be implemented upon the attainment of 5.1% of the retail electric sales in the State being from solar. Solar projects that become operational after the State’s attainment of the 5.1% milestone but prior to the implementation of a successor solar program will be eligible to participate in the TREC program, as determined by the Board.

7. The December 19, 2019 Order required the New Jersey Electric Distribution Companies (“EDCs”) to work with Staff to jointly procure an administrator (“TREC Administrator”) to acquire the TRECs on behalf of the EDCs and assist with the retirement of TRECs for the benefit of load serving entities. The EDCs were ordered to purchase all TRECs that are created by solar projects in the TREC program at a fixed price, which was to be set by future Board Order. The December 19, 2019 Order further provided that:

[T]he EDCs may recover reasonable and prudent costs for TRECs procurement and TREC Administrator fees. Recovery shall be based on each EDC’s proportionate share of retail electric sales. Each EDC shall make an annual filing for its costs and the recovery method, which shall be subject to approval by the Board.

December 19, 2019 Order at 34.

8. On March 9, 2020, the Board issued an Order in the TREC Proceeding establishing the fixed price for the purchase of TRECs at \$152 per TREC.

9. In accordance with the December 19, 2019 Order, JCP&L proposes to recover its portion of the costs to procure the TRECs generated by projects in the TREC program and the TREC Administrator's fees through a separate component of its Rider RRC, which it proposes to establish as the TREC Rate. As set forth in JCP&L's Tariff, "Rider RRC provides a charge for the costs associated with demand response/energy efficiency/renewable energy programs directed by the BPU . . ." BPU No. 12 Electric – Part III, 5th Rev. Sheet No. 58 (Effective Jan. 1, 2020).

10. During the process of working with Staff on their joint procurement of a TREC Administrator (as directed by the December 19, 2019 Order), the EDCs were provided a schedule of estimated TREC procurement costs prepared by Staff ("TREC Procurement Schedule"). That schedule had the EDCs making their first payment for the procurement of TRECs based on TRECs generated between the initiation of the TREC program (estimated to occur in June 2020) and September 2020.

11. After issuance of the December 19, 2019 Order, the EDCs began working together (with guidance and input from Staff) on the joint procurement of a TREC Administrator. As of the date of this filing, the EDCs are in the process of finalizing their selection of a TREC Administrator based on the results of their request for proposal ("RFP"). For purposes of this filing, the EDCs have agreed that a reasonable estimate of the projected annual costs for the TREC Administrator fees is \$900,000 annually ("Estimated TREC Administrator Fee").

12. On April 6, 2020, the Board issued an Order in the TREC Proceeding ("April 6, 2020 Order") establishing the date for the closing of the existing solar renewable energy credit

("SREC") program as April 30, 2020. The April 6, 2020 Order further provided that the TREC Administrator is to purchase TRECs on a monthly basis.

TREC Rate

13. Attached as **Exhibit A** is JCP&L's calculation of the annual total revenue requirement necessary to recover JCP&L's portion of the costs of TREC procurement and the Estimated TREC Administrator Fee for the first year of the TREC program, assuming an effective date of September 1, 2020 for the TREC Rate. In accordance with the December 19, 2019 Order, JCP&L's share of the program costs are based on its proportional share of statewide retail electric sales during calendar year 2019. The estimated TREC procurement costs are based on the TREC Procurement Schedule provided by Staff. Based on the foregoing, JCP&L's projected revenue requirement for June 1, 2020 through September 30, 2021 is \$11,560,182.

14. Based on the projected revenue requirement, JCP&L proposes to set the initial TREC Rate at \$0.000523 per kilowatt-hour, exclusive of SUT, effective September 1, 2020. After its initial establishment, this rate will be updated periodically, as part of JCP&L's annual Rider RRC update filing, to true-up for any over/under recoveries and reflect JCP&L's projected share of costs for the TREC program going forward. As is currently done under Rider RRC, JCP&L will:

[A]ccrue interest on any over or under recovered balances of its [Rider RRC costs] at the interest rate based on a two-year constant maturity Treasuries as published in the Federal Reserve Statistical Release on the first day of each month (or the closest day thereafter on which rates are published), plus sixty basis points, but shall not exceed the Company's overall rate of return as approved by the BPU. Such interest rate shall be reset each month. The interest calculation shall be based on the net of tax beginning and end average monthly balance, consistent with the methodology in the Board's Final Order dated May 17, 2004 (Docket No. ER02080506 et al.), compounded annually (added to the balance on which interest is accrued annually) on January 1 of each year.

BPU No. 12 Electric – Part III, 5th Rev. Sheet No. 58 (Effective Jan. 1, 2020).

Attachments

15. Attached hereto and made a part of this Verified Petition are the following Attachments supporting the Company’s request:

Attachment A	Transition Renewable Energy Credit (TREC) Program Revenue Requirements Calculation
Attachment B	Transition Renewable Energy Credit (TREC) Actual Billed Sales (kWh) by Electric Distribution Company (“EDC”)
Attachment C	Proposed Rate Calculations
Attachment D	Forecasted (Over)/Under Recovery Calculation
Attachment E	Proposed Rider RRC Tariff Sheet
Attachment F	Proposed Form of Public Notice

Notice

16. Attached as **Exhibit F** is a Proposed Form of Public Notice for a virtual public hearing regarding the establishment of the TREC Rate and the setting of an initial rate for same. Due to the COVID-19 state of emergency, the Company proposes that virtual public hearings on this Verified Petition be conducted at a date and at times agreed upon by the parties, and to be included in the Final Public Notice. The Final Public Notice will be published and served in accordance with N.J.A.C. 14:1-5.12 (b)-(d).

Service of Petition

17. Copies of this Verified Petition, and all supporting Attachments thereto, have been or will be duly served by electronic mail to Director, Division of Rate Counsel, and the Department of Public Law and Safety, Division of Law.

CONCLUSION

WHEREFORE, the Petitioner, Jersey Central Power & Light Company, respectfully requests that the Board issue a Final Order and Decision:

- (1) approving JCP&L's request to establish the TREC Rate as a rate component of the Company's Rider RRC in order to recover the Company's reasonable and prudent costs it incurs for its participation in the Board-mandated TREC Program;
- (2) setting the TREC Rate at \$0.000523 per kilowatt-hour, exclusive of SUT, effective September 1, 2020;
- (3) authorizing the Company to establish a regulatory asset for the deferral of the Company's costs associated with the TREC Program, with the accrual of interest on the unamortized balance (net of deferred taxes), including any over or under-recovered amounts, at the rate and in the manner provided for in the Company's Rider RRC Tariff; and
- (4) granting such other and further relief as the Board shall deem just, lawful and proper.

Respectfully submitted,



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Counsel for Jersey Central Power & Light Company

AFFIDAVIT
OF
VERIFICATION

Mark A. Mader, being duly sworn upon his oath, deposes and says:

1. I am Director of Rates and Regulatory Affairs – New Jersey for Jersey Central Power & Light Company (“JCP&L” or the “Company”), the Petitioner named in the foregoing Verified Petition, and I am duly authorized to make this Affidavit of Verification on its behalf.

2. I have read the contents of the foregoing Verified Petition by JCP&L insofar as it relates to the Company’s request to establish the TREC Rate as a rate component of JCP&L’s Rider RGGI Recovery Charge (“Rider RRC”) in order to recover the Company’s projected costs associated with its participation in the transition renewable energy credit (“TREC”) incentive program (“TREC Program”), and I hereby verify that the statements of fact and other information contained therein are true and correct to the best of my knowledge, information, and belief.



Mark A. Mader

Sworn to and subscribed before me
this 11th day of May, 2020.



Joshua R. Eckert
An Attorney-at-Law Licensed to Practice in the State of New Jersey
Attorney ID: 250992018

**Jersey Central Power & Light Company ("JCP&L")
Transition Renewable Energy Certificate (TREC) Program
Revenue Requirements Calculation**

NJ EDC TREC Revenue Requirement																			
TREC Price (\$/MWh) \$152.00										Annual Administrator Fee \$900,000					JCP&L Share	28.37%			
(1)	(2)	(3)	(4)	Solar System Allocation Percentages and TREC Price Multipliers ⁵			(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
Program Assumption	Program Assumption	Program Assumption	Col 2 * Col 3	(5)	(6)	(7)	(((Factor Col 5) * Col 5 + [Factor Col 6] * Col 6 + [Factor Col 7] * Col 7) * [TREC Price] * Col 4	Prior Col 10 + Col 8	Sum of Column 4 per Col 9	Program Assumption	Col 8 + Col 12	Col 13 x JCP&L Share per Month	Program Assumption	Col 14 + Col 15					
Calendar	New TI Project Capacity by Month's End (MWdc)	Effective Generating Capacity (MWdc)	Production Rate Estimate (MWh/MWdc)	TRECs Created (MWh)	Sub r Roof & NM NR	Community Solar	Sub r Grnd, Resi Grnd & roof, NM NR Grnd	TREC Procurement Payments (\$)	Cumulative TREC Cost / Energy Year (\$)	TRECs / Energy Year (MWh)	TREC Administrator Fee (\$)	TREC Procurement Payment + Administrator Fee (\$)	Month	TREC Procurement Payments + Admin Fee - JCP&L Share	Other Expenses	Revenue Requirement			
Year	Month	(MWdc)	(MWdc)	(MWh/MWdc)	(MWh)	1.00	0.85	0.6	(EY)	(MWh)	(EY)	(EY)							
1	2020	July	30	5	123	615	36%	0%	64%	\$69,549	21	\$69,549	\$75,000	\$144,549	1	Jul-20	\$41,015	\$0	\$41,015
2	2020	August	40	40	115	4,600	36%	0%	64%	\$520,205	21	\$589,754	\$75,000	\$595,205	2	Aug-20	\$168,886	\$0	\$168,886
3	2020	September	35	80	100	8,000	46%	0%	54%	\$953,344	21	\$1,543,098	\$75,000	\$1,028,344	3	Sep-20	\$291,787	\$0	\$291,787
4	2020	October	30	110	84	9,240	36%	0%	64%	\$1,044,933	21	\$2,588,031	\$75,000	\$1,119,933	4	Oct-20	\$317,775	\$0	\$317,775
5	2020	November	35	145	67	9,715	36%	0%	64%	\$1,098,650	21	\$3,686,681	\$75,000	\$1,173,650	5	Nov-20	\$333,017	\$0	\$333,017
6	2020	December	30	180	58	10,440	46%	0%	54%	\$1,244,114	21	\$4,930,795	\$75,000	\$1,319,114	6	Dec-20	\$374,292	\$0	\$374,292
2020 YTD		200			42,610				\$4,930,795			\$450,000	\$5,380,795						
7	2021	January	30	220	72	15,840	34%	12%	54%	\$1,844,283	21	\$6,775,078	\$75,000	\$1,919,283	7	Jan-21	\$544,586	\$0	\$544,586
8	2021	February	20	240	84	20,160	34%	12%	54%	\$2,347,269	21	\$9,122,347	\$75,000	\$2,422,269	8	Feb-21	\$687,306	\$0	\$687,306
9	2021	March	30	270	102	27,540	40%	12%	47%	\$3,281,887	21	\$12,404,234	\$75,000	\$3,356,887	9	Mar-21	\$952,499	\$0	\$952,499
10	2021	April	20	290	113	32,770	34%	12%	54%	\$3,815,477	21	\$16,219,710	\$75,000	\$3,890,477	10	Apr-21	\$1,103,902	\$0	\$1,103,902
11	2021	May	20	310	118	36,580	34%	12%	54%	\$4,259,083	21	\$20,478,793	\$75,000	\$4,334,083	11	May-21	\$1,229,773	\$0	\$1,229,773
12	2021	June	15	325	118	38,350	46%	12%	47%	\$4,919,845	22	\$4,919,845	\$75,000	\$4,994,845	12	Jun-21	\$1,417,261	\$0	\$1,417,261
13	2021	July	15	340	123	41,820	34%	12%	54%	\$4,869,186	22	\$9,789,031	\$75,000	\$4,944,186	13	Jul-21	\$1,402,886	\$0	\$1,402,886
14	2021	August	20	360	115	41,400	34%	12%	54%	\$4,820,285	22	\$14,609,316	\$75,000	\$4,895,285	14	Aug-21	\$1,389,011	\$0	\$1,389,011
15	2021	September	20	380	100	38,000	40%	12%	47%	\$4,528,384	22	\$19,137,700	\$75,000	\$4,603,384	15	Sep-21	\$1,306,186	\$0	\$1,306,186
16	2021	October	20	400	84	33,600	34%	12%	54%	\$3,912,115	22	\$23,049,815	\$75,000	\$3,987,115	16	Oct-21	\$1,131,323	\$0	\$1,131,323
17	2021	November	15	415	67	27,805	34%	12%	54%	\$3,237,392	22	\$26,287,207	\$75,000	\$3,312,392	17	Nov-21	\$939,873	\$0	\$939,873
18	2021	December	7	422	58	24,476	41%	12%	47%	\$2,953,959	22	\$29,241,166	\$75,000	\$3,028,959	18	Dec-21	\$859,451	\$0	\$859,451
2021 YTD		232			378,341				\$44,789,164			\$900,000	\$45,689,164						
19	2022	January	0	432	72	31,104	41%	12%	47%	\$3,753,880	22	\$32,995,046	\$75,000	\$3,828,880	19	Jan-22	\$1,086,424	\$0	\$1,086,424
20	2022	February	0	432	84	36,288	41%	12%	47%	\$4,379,526	22	\$37,374,572	\$75,000	\$4,454,526	20	Feb-22	\$1,263,948	\$0	\$1,263,948
21	2022	March	0	432	102	44,064	41%	12%	47%	\$5,317,996	22	\$42,692,568	\$75,000	\$5,392,996	21	Mar-22	\$1,530,234	\$0	\$1,530,234
22	2022	April	0	432	113	48,816	41%	12%	47%	\$5,891,505	22	\$48,584,073	\$75,000	\$5,966,505	22	Apr-22	\$1,692,964	\$0	\$1,692,964
23	2022	May	0	432	118	50,976	41%	12%	47%	\$6,152,191	22	\$54,736,265	\$75,000	\$6,227,191	23	May-22	\$1,766,932	\$0	\$1,766,932
24	2022	June	0	432	118	50,976	41%	12%	47%	\$6,152,191	23	\$6,152,191	\$75,000	\$6,227,191	24	Jun-22	\$1,766,932	\$0	\$1,766,932
25	2022	July	0	432	123	53,136	41%	12%	47%	\$6,412,878	23	\$12,565,069	\$75,000	\$6,487,878	25	Jul-22	\$1,840,901	\$0	\$1,840,901
26	2022	August	0	432	115	49,680	41%	12%	47%	\$5,995,780	23	\$18,560,849	\$75,000	\$6,070,780	26	Aug-22	\$1,722,551	\$0	\$1,722,551
27	2022	September	0	432	100	43,200	41%	12%	47%	\$5,213,722	23	\$23,774,570	\$75,000	\$5,288,722	27	Sep-22	\$1,500,647	\$0	\$1,500,647
28	2022	October	0	432	84	36,288	41%	12%	47%	\$4,379,526	23	\$28,154,097	\$75,000	\$4,454,526	28	Oct-22	\$1,263,948	\$0	\$1,263,948
29	2022	November	0	432	67	28,944	41%	12%	47%	\$3,493,193	23	\$31,647,290	\$75,000	\$3,568,193	29	Nov-22	\$1,012,456	\$0	\$1,012,456
30	2022	December	0	432	58	25,056	41%	12%	47%	\$3,023,959	23	\$34,671,249	\$75,000	\$3,098,959	30	Dec-22	\$879,313	\$0	\$879,313
2022 YTD		0			498,528				\$60,166,347			\$900,000	\$61,066,347						
31	2023	January	0	432	72	31,104	41%	12%	47%	\$3,753,880	23	\$38,425,128	\$75,000	\$3,828,880	31	Jan-23	\$1,086,424	\$0	\$1,086,424
32	2023	February	0	432	84	36,288	41%	12%	47%	\$4,379,526	23	\$42,804,654	\$75,000	\$4,454,526	32	Feb-23	\$1,263,948	\$0	\$1,263,948
33	2023	March	0	432	102	44,064	41%	12%	47%	\$5,317,996	23	\$48,122,650	\$75,000	\$5,392,996	33	Mar-23	\$1,530,234	\$0	\$1,530,234
34	2023	April	0	432	113	48,816	41%	12%	47%	\$5,891,505	23	\$54,014,156	\$75,000	\$5,966,505	34	Apr-23	\$1,692,964	\$0	\$1,692,964
35	2023	May	0	432	118	50,976	41%	12%	47%	\$6,152,191	23	\$60,166,347	\$75,000	\$6,227,191	35	May-23	\$1,766,932	\$0	\$1,766,932
36	2023	June	0	432	118	50,976	41%	12%	47%	\$6,152,191	24	\$6,152,191	\$75,000	\$6,227,191	36	Jun-23	\$1,766,932	\$0	\$1,766,932
2023 YTD		0			262,224				\$31,647,290			\$1,650,000	\$109,574,037						
Three Year Totals		432	432		1,181,703				\$141,533,596		\$141,533,596	1,181,703	\$6,600,000	\$365,943,940					

**Transition Renewable Energy Certificate (TREC) Program
Actual Billed Sales (kWh)
by Electric Distributon Company ("EDC")**

Mo.#	1	2	3	4	5	6	7	8	9	10	11	12		
Year	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019		%
Month	January	February	March	April	May	June	July	August	September	October	November	December	Total	of Total
PSE&G	3,472,005,204	3,351,621,056	3,202,163,059	2,923,580,867	2,822,983,863	3,248,911,858	4,133,299,028	4,325,839,886	3,745,915,833	3,151,586,382	2,927,014,413	3,336,064,044	40,640,985,493	57.12%
JCP&L	1,812,110,003	1,679,817,468	1,575,269,797	1,390,698,301	1,355,704,052	1,571,256,544	2,050,540,188	2,262,213,672	1,951,237,791	1,568,621,399	1,372,331,356	1,599,589,737	20,189,390,308	28.37%
ACE	749,418,969	678,560,889	655,578,040	586,121,430	592,639,954	701,061,303	955,470,107	1,040,966,487	917,258,921	667,991,887	596,450,488	656,071,962	8,797,590,437	12.36%
RECO	127,661,261	114,237,067	104,885,088	109,253,614	110,132,430	123,975,834	168,634,790	173,412,533	141,636,572	117,380,024	114,699,379	119,500,727	1,525,409,319	2.14%
Total	6,161,195,437	5,824,236,480	5,537,895,984	5,009,654,212	4,881,460,299	5,645,205,539	7,307,944,113	7,802,432,578	6,756,049,117	5,505,579,692	5,010,495,636	5,711,226,470	71,153,375,557	100.00%

Jersey Central Power & Light Company
 2018 RGGI Recovery Charge - Rider RRC Filing
 Transition Renewable Energy Certificate ("TREC") Program
 Proposed Rate Calculations
 Expenditures For the Period July 2020 through Sept.2021
 Proposed Rate Effective September 1, 2020

Calculation of a Proposed Increase in Rider RRC Composite Rate	Effective Sept.1, 2020	Refer to Attachment ?
Computation of Initial Rider RRC - TREC Program Tariff Rate		
1 TREC Revenue Requirements (July 2020 through September 2021)	\$ 11,560,182.00	Line 3
2 Add: Forecast TREC Program Costs Incurred Prior to July 1, 2020	-	Line 6
3 Total TREC Revenue Requirements (July 2020 through September 2021)	\$ 11,560,182.00	L2 + L3
4 Forecast MWh Retail Sales for the 13 Months Ended September 30, 2021	22,118,184	Line 1
5 Proposed Rider RRC-TREC before SUT (\$/kWh) at Sept.1, 2020	\$ 0.000523	L4 ÷ L5 ÷ 1000

**Jersey Central Power & Light Company ("JCP&L")
Transition Renewable Energy Certificate (TREC) Program
Forecast (Over)/Under Calculation
For the Period July 2020 to Sept.2021**

Attachment D

Page 1 of 2

Line #	TREC (Over)/Under Calculation	Formulae	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021
1	Forecast Monthly Rider RRC Sales (in kWh)		-	-	1,958,624,158	1,563,738,651	1,418,375,420	1,528,060,347	1,819,146,815	1,674,642,210
2	Proposed TREC Rate effective 9/1/2020 in (\$/kWh)		\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523
3	TREC Revenue	L1 × L2	\$ -	\$ -	\$ 1,023,685	\$ 817,296	\$ 741,321	\$ 798,649	\$ 950,786	\$ 875,260
4	Revenue Requirements		41,015	168,886	291,787	317,775	333,017	374,292	544,586	687,306
5	Monthly Over/(Under) Recovery	L3 - L4	\$ (41,015)	\$ (168,886)	\$ 731,898	\$ 499,521	\$ 408,304	\$ 424,357	\$ 406,200	\$ 187,954
6	Beginning Deferred TREC Program Costs Balance *		-	(41,015)	(209,901)	521,997	1,021,518	1,429,822	1,854,179	2,260,379
7	Ending Deferred TREC Program Costs Balance	L5 + L6	\$ (41,015)	\$ (209,901)	\$ 521,997	\$ 1,021,518	\$ 1,429,822	\$ 1,854,179	\$ 2,260,379	\$ 2,448,333
Computation of Interest on Over/Under Recovery										
8	Average Deferred TREC Program Costs Balance	(L6 + L7) ÷ 2	\$ (20,508)	\$ (125,458)	\$ 156,048	\$ 771,758	\$ 1,225,670	\$ 1,642,001	\$ 2,057,279	\$ 2,354,356
9	Combined Tax Rate %		28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%
10	Accumulated Deferred RRC Income Taxes	L8 × L9	\$ (5,765)	\$ (35,266)	\$ 43,865	\$ 216,941	\$ 344,536	\$ 461,566	\$ 578,301	\$ 661,809
11	AVERAGE RRC Principal Balance Excl.Dfd.Taxes	L9 - L10	\$ (14,743)	\$ (90,192)	\$ 112,183	\$ 554,816	\$ 881,134	\$ 1,180,434	\$ 1,478,978	\$ 1,692,547
12	Multiply by: Total Rider RRC Program Interest Rate		0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
13	Divided By: Months Per Year		12	12	12	12	12	12	12	12
14	Interest (Income)/Expense	(L11×L12)÷L13	\$ (10)	\$ (62)	\$ 78	\$ 384	\$ 609	\$ 816	\$ 1,023	\$ 1,171
15	Beginning Deferred TREC Program Costs Balance		-	(10)	(72)	6	390	999	1,815	2,838
16	Ending Deferred TREC Program Costs Balance	L14 + L15	\$ (10)	\$ (72)	\$ 6	\$ 390	\$ 999	\$ 1,815	\$ 2,838	\$ 4,009
17	Ending Deferred TREC Program Costs Balance Incl.Interest	L7 + L16	\$ (41,025)	\$ (209,973)	\$ 522,003	\$ 1,021,908	\$ 1,430,821	\$ 1,855,994	\$ 2,263,217	\$ 2,452,342

* TREC Program Costs Incurred prior to July 1, 2020 per Line 2, Attachment C

**Jersey Central Power & Light Company ("JCP&L")
Transition Renewable Energy Certificate (TREC) Program
Forecast (Over)/Under Calculation
For the Period July 2020 to Sept.2021**

Line #	TREC (Over)/Under Calculation	Formulae	March 2021	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	Totals July 2020 to Sept.2021
1	Forecast Monthly Rider RRC Sales (in kWh)		1,562,278,319	1,423,842,902	1,413,711,611	1,648,376,895	1,998,195,139	2,165,467,886	1,943,723,534	22,118,183,887
2	Proposed TREC Rate effective 9/1/2020 in (\$/kWh)		\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523
3	TREC Revenue	L1 × L2	\$ 816,533	\$ 744,179	\$ 738,884	\$ 861,533	\$ 1,044,367	\$ 1,131,793	\$ 1,015,897	\$ 11,560,183
4	Revenue Requirements		952,499	1,103,902	1,229,773	1,417,261	1,402,886	1,389,011	1,306,186	11,560,182
5	Monthly Over/(Under) Recovery	L3 - L4	\$ (135,966)	\$ (359,723)	\$ (490,889)	\$ (555,728)	\$ (358,519)	\$ (257,218)	\$ (290,289)	\$ 1
6	Beginning Deferred TREC Program Costs Balance *		2,448,333	2,312,367	1,952,644	1,461,755	906,027	547,508	290,290	-
7	Ending Deferred TREC Program Costs Balance	L5 + L6	\$ 2,312,367	\$ 1,952,644	\$ 1,461,755	\$ 906,027	\$ 547,508	\$ 290,290	\$ 1	\$ 1
Computation of Interest on Over/Under Recovery										
8	Average Deferred TREC Program Costs Balance	(L6 + L7) ÷ 2	\$ 2,380,350	\$ 2,132,506	\$ 1,707,200	\$ 1,183,891	\$ 726,768	\$ 418,899	\$ 145,146	
9	Combined Tax Rate %		28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	
10	Accumulated Deferred RRC Income Taxes	L8 × L9	\$ 669,116	\$ 599,447	\$ 479,894	\$ 332,792	\$ 204,294	\$ 117,753	\$ 40,800	
11	AVERAGE RRC Principal Balance Excl.Dfd.Taxes	L9 - L10	\$ 1,711,234	\$ 1,533,058	\$ 1,227,306	\$ 851,099	\$ 522,473	\$ 301,146	\$ 104,345	
12	Multiply by: Total Rider RRC Program Interest Rate		0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	
13	Divided By: Months Per Year		12	12	12	12	12	12	12	
14	Interest (Income)/Expense	(L11×L12)÷L13	\$ 1,184	\$ 1,060	\$ 849	\$ 589	\$ 361	\$ 208	\$ 72	\$ 8,332
15	Beginning Deferred TREC Program Costs Balance		4,009	5,193	6,253	7,102	7,691	8,052	8,260	-
16	Ending Deferred TREC Program Costs Balance	L14 + L15	\$ 5,193	\$ 6,253	\$ 7,102	\$ 7,691	\$ 8,052	\$ 8,260	\$ 8,332	\$ 8,332
17	Ending Deferred TREC Program Costs Balance Incl.Interest	L7 + L16	\$ 2,317,560	\$ 1,958,897	\$ 1,468,857	\$ 913,718	\$ 555,560	\$ 298,550	\$ 8,333	\$ 8,333

* TREC Program Costs Incurred prior to July 1, 2020 per Line 2, Attachment C

ATTACHMENT E

PROPOSED RIDER RRC TARIFF SHEET

**NOTICE TO
JERSEY CENTRAL POWER & LIGHT COMPANY CUSTOMERS**

**In the Matter of Jersey Central Power & Light Company’s Verified Petition to Establish a
New Rate Component of Its Rider RRC – RGGI Recovery Charge (“Rider RRC”) for
Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”) Incentive Program
 (“JCP&L Initial TREC Rate Filing”)
BPU Docket No. _____**

TAKE NOTICE that, on or about May 11, 2020, Jersey Central Power & Light Company (“JCP&L” or the “Company”) filed a Verified Petition with the New Jersey Board of Public Utilities (the “Board” or “BPU”) to establish a Transition Renewable Energy Credit (“TREC”) Rate as a new rate component of the Company’s Rider RRC – RGGI Recovery Charge (“Rider RRC”). The TREC Rate is intended to allow JCP&L to recover the costs and expenses incurred by the Company as a result of its compliance with the Board’s Orders in BPU Docket No. QO19010068, establishing a TREC incentive program (“TREC Program”). As filed, the Verified Petition proposes to recover the projected costs the Company will incur associated with the TREC Program from June 1, 2020 through September 30, 2021, resulting in a revenue requirement of \$11,560,182. The projected revenue requirement is primarily based on forecasts developed by Staff of the Board.

The proposed TREC Rate for all rate classes is \$0.000523 per kilowatt-hour. Based on the Company’s filing, a typical residential customer using 768 kilowatt-hours of per month would see an increase in the customer’s monthly bill of \$0.43 or 0.4%.

The following illustrative chart shows the estimated monthly bill impacts (by dollars and percentages) to class average customers based upon a comparison of present and proposed rates and the approximate net effect of the proposed increases in charges on customers in various rate classes, although the actual effect on specific customers will vary according to the applicable rate schedule and level of the customer’s usage.

STATEMENT OF THE MONTHLY EFFECT OF PROPOSED
INCREASE IN RIDER RRC CHARGES AS COMPARED TO THE
RATES IN EFFECT OF AS OF MAY 1, 2020

Residential Average Bill			
(Includes 6.625% Sales and Use Tax)			
	Current	Proposed	Proposed
	Monthly	Monthly	Monthly
	<u>Bill (1)</u>	<u>Bill (2)</u>	<u>Increase</u>
<u>Residential (RS)</u>			
500 kWh average monthly usage	\$64.37	\$64.65	\$0.28
1000 kWh average monthly usage	\$133.14	\$133.70	\$0.56
1500 kWh average monthly usage	\$203.70	\$204.54	\$0.84
<u>Residential Time of Day (RT)</u>			
500 kWh average monthly usage	\$73.14	\$73.42	\$0.28
1000 kWh average monthly usage	\$141.09	\$141.65	\$0.56
1500 kWh average monthly usage	\$209.03	\$209.87	\$0.84
<u>Overall Class Average Per Customer</u>			
(Includes 6.625% Sales and Use Tax)			
	Current	Proposed	Proposed
	Monthly	Monthly	Monthly
	<u>Bill (1)</u>	<u>Bill (2)</u>	<u>% Increase</u>
<u>Rate Class</u>			
Residential (RS)	\$104.38	\$104.81	0.4%
Residential Time of Day (RT/RGT)	\$152.66	\$153.27	0.4%
General Service – Secondary (GS)	\$592.89	\$595.37	0.4%
General Service - Secondary Time of Day (GST)	\$27,965.43	\$28,102.95	0.5%
General Service – Primary (GP)	\$32,708.23	\$32,909.95	0.6%
General Service – Transmission (GT)	\$88,278.93	\$88,874.59	0.7%
Lighting (Average Per Fixture)	\$10.49	\$10.52	0.3%

It is important to note that the resolution of this Verified Petition and the reconciliation of these accounts will not result in any profit to JCP&L.

The Board has statutory and regulatory authority to approve and establish rates it finds just and reasonable. Therefore, the Board may determine and establish these charges at levels other than those proposed by JCP&L.

This Verified Petition was filed with the Board and a copy was also served upon the Division of Rate Counsel. Copies of this Verified Petition and supporting attachments are available on JCP&L’s website at:

https://www.firstenergycorp.com/jersey_central_power_light/regulatory.html.

The following date(s) and time(s) and locations for virtual public hearing(s) have been scheduled on the Verified Petition, so that members of the public may present their views:

Date:	Date:
Time:	Time:
Virtual Access Code:	Virtual Access Code:

Due to the COVID-19 state of emergency, a virtual public hearing will be conducted at the date(s) and time(s) listed above by a hearing officer designated by the Board. Representatives of the Board’s Staff and the Division of Rate Counsel will participate in the virtual public hearing. Members of the public are invited to participate by utilizing the Virtual Access Code information set forth above, and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. Customers may also file written comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 9th Floor,

Trenton, New Jersey 08625-0350 or at board.secretary@bpu.nj.gov, regardless whether they participate in the public hearing(s).

JERSEY CENTRAL POWER & LIGHT COMPANY