

July 31, 2020

via Electronically

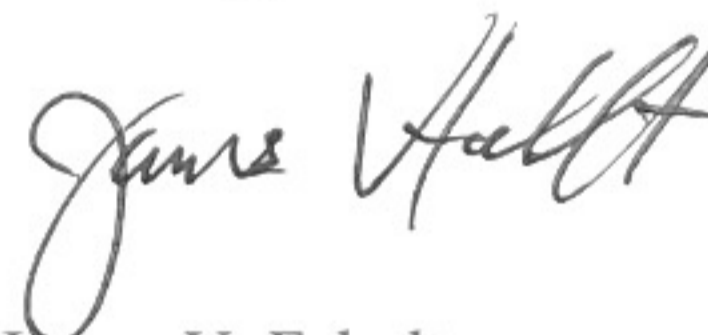
Ms. Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Ave., 9th Floor
PO Box 350
Trenton, NJ 08625-0350

RE: JCP&L USF Quarterly Financial Report
In the Matter of the Establishment of a Universal Service Fund
Pursuant to Section 12 of the Electric Discount and
Energy Competition Act of 1999
Docket No. EX00020091

Dear: Secretary Welch:

On behalf of Jersey Central Power & Light, a FirstEnergy Company ("JCP&L") and pursuant to page 6 of the Order entered by the Board of Public Utilities in Docket No. EX00020091, dated July 16, 2003, enclosed herewith is the certified JCP&L USF Quarterly Financial Report for the quarter ending June 30, 2020.

Sincerely,



James V. Fakult
President, JCP&L

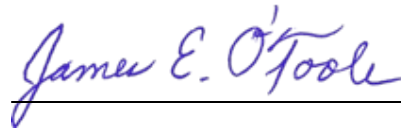
Enclosure

AFFIDAVIT OF VERIFICATION

James E. O'Toole, being duly sworn upon his oath, deposes and says:

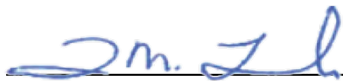
1. I am an Analyst V, Rates and Regulatory Affairs – New Jersey, for FirstEnergy Service Company primarily supporting Jersey Central Power & Light Company (“JCP&L”), and I am duly authorized to make this Affidavit of Verification on its behalf.

2. The foregoing JCP&L USF Quarterly Financial Report was prepared by me or under my supervision, and I hereby verify that the information contained therein is true and correct to the best of my knowledge, information, and belief.



James E. O'Toole

Sworn to and subscribed before me
this 31 day of July 2020



Lauren M. Lepkoski
An Attorney-at-Law licensed to practice in the State of New Jersey
Attorney ID: 002322005

**Jersey Central Power & Light
USF/ Lifeline Billing Summary**

	Units Billed {1},{5}	650101		650102		USF/Lifeline Revenues {3}
		USF Rate {2}	Revenues {3}	Lifeline Rate {2}	Revenues {3}	
Balance at 6/30/19	338,123,237,107		\$ 519,583,444.95		\$ 228,991,364.18	\$ 748,574,809.13
Jul-19	2,050,540,188	\$0.001249	2,573,198.37	\$0.000708	1,448,074.17	4,021,272.54
Aug-19	2,262,213,672	\$0.001249	2,838,781.34	\$0.000708	1,597,579.37	4,436,360.71
Sep-19	1,951,237,791	\$0.001249	2,448,548.93	\$0.000708	1,377,962.09	3,826,511.02
Total July19-Sept19	6,263,991,651		\$ 7,860,528.64		\$ 4,423,615.63	\$ 12,284,144.27
Balance at 9/30/19	344,387,228,758		\$ 527,443,973.59		\$ 233,414,979.81	\$ 760,858,953.40
Oct-19	1,568,621,399	\$0.001249	1,965,145.34	\$0.000708	1,108,827.86	3,073,973.20
Nov-19	1,372,331,356	\$0.001249	1,714,499.27	\$0.000708	971,677.52	2,686,176.79
Dec-19	1,599,589,737	\$0.001249	1,998,304.33	\$0.000708	1,132,638.86	3,130,943.19
Total Oct19-Dec19	4,540,542,492		\$ 5,677,948.94		\$ 3,213,144.24	\$ 8,891,093.18
Balance at 12/31/19	348,927,771,250		\$ 533,121,922.53		\$ 236,628,124.05	\$ 769,750,046.58
Jan-20	1,649,995,268	\$0.001249	2,061,254.95	\$0.000708	1,168,329.81	3,229,584.76
Feb-20	1,540,680,287	\$0.001249	1,924,707.08	\$0.000708	1,090,924.54	3,015,631.62
Mar-20	1,503,672,267	\$0.001249	1,878,469.59	\$0.000708	1,064,722.30	2,943,191.89
Total Jan20-Mar20	4,694,347,822		\$ 5,864,431.62		\$ 3,323,976.65	\$ 9,188,408.27
Balance at 03/31/20	353,622,119,072		\$ 538,986,354.15		\$ 239,952,100.70	\$ 778,938,454.85
Apr-20	1,388,801,449	\$0.001249	1,734,939.62	\$0.000708	983,360.36	2,718,299.98
May-20	1,319,991,516	\$0.001249	1,649,009.60	\$0.000708	934,655.59	2,583,665.19
Jun-20	1,568,934,726	\$0.001249	1,960,006.72	\$0.000708	1,110,925.30	3,070,932.02
Total Apr20-Jun20	4,277,727,691		\$ 5,343,955.94		\$ 3,028,941.25	\$ 8,372,897.19
Balance at 06/30/20	357,899,846,763		\$ 544,330,310.09		\$ 242,981,041.95	\$ 787,311,352.04

- (1) Excludes billings for and re-billings of charges prior to August 1, 2003 and excludes rate GTX kWh.
- (2) Rate per kWh (excluding SUT) in effect as of the first day of the calendar month indicated. Actual rates may vary due to late bills and rebillings of prior charges or due to proration of charges across a rate change.
- (3) Revenues exclude SUT and are based on actual account by account billing of charges and may vary from the price per kWh due to cumulative rounding effect, late bills, rebillings, rate changes or other adjustments.
- (4) Revised balance reflects revisions to Oct-06 and Jun-07 billed units.
- (5) Excludes kWh sales to JCP&L's GT Provision D customer that is not charged for Rider USF beginning with the May 2018 billing period.
- (6) Excludes misposting of \$51,000 accrual that reverses in April 2019.

Date Submitted via email: 7/31/2020
Prepared by: Jim O'Toole
Phone No.: 973-401-8296
E-mail: jotoole@firstenergycorp.com

**Jersey Central Power & Light
USF/ Lifeline Remittance Summary**

	USF		Lifeline			USF/Lifeline Remittance TOTALS
	Remittance	Date	Remittance	Check No.	Date	
	650101		650102			
Balance at 6/30/19	\$ 519,583,444.93		\$ 228,991,364.18			\$ 748,574,809.11
Jul-19	2,573,198.37	1/31/2019	1,448,074.17		01/31/19	4,021,272.54
Aug-19	2,838,781.34	8/31/2019	1,597,579.37		08/31/19	4,436,360.71
Sep-19	2,448,548.93	10/1/2019	1,377,962.09		10/01/19	3,826,511.02
Total July19-Sept19	<u>\$ 7,860,528.64</u>		<u>\$ 4,423,615.63</u>			<u>\$ 12,284,144.27</u>
Balance at 9/30/19	\$ 527,443,973.57		\$ 233,414,979.81			\$ 760,858,953.38
Oct-19	1,965,145.34	11/4/2019	1,108,827.86		11/04/19	3,073,973.20
Nov-19	1,714,499.27	12/3/2019	971,677.52		12/03/19	2,686,176.79
Dec-19	1,998,304.33	1/3/2020	1,132,638.86		01/03/20	3,130,943.19
Total Oct19-Dec19	<u>\$ 5,677,948.94</u>		<u>\$ 3,213,144.24</u>			<u>\$ 8,891,093.18</u>
Balance at 12/31/19	\$ 533,121,922.51		\$ 236,628,124.05			\$ 769,750,046.56
Jan-20	2,061,254.95	2/4/2020	1,168,329.81		02/04/20	3,229,584.76
Feb-20	1,924,707.08	3/2/2020	1,090,924.54		03/02/20	3,015,631.62
Mar-20	1,878,469.59	4/3/2020	1,064,722.30		04/03/20	2,943,191.89
Total Jan20-Mar20	<u>\$ 5,864,431.62</u>		<u>\$ 3,323,976.65</u>			<u>\$ 9,188,408.27</u>
Balance at 03/31/20	\$ 538,986,354.13		\$ 239,952,100.70			\$ 778,938,454.83
Apr-20	1,734,939.62	5/4/2020	983,360.36		5/4/2020	2,718,299.98
May-20	1,649,009.60	6/4/2020	934,655.59		6/4/2020	2,583,665.19
Jun-20	1,960,006.72	7/2/2020	1,110,925.30		7/2/2020	3,070,932.02
Total Apr20-Jun20	<u>\$ 5,343,955.94</u>		<u>\$ 3,028,941.25</u>			<u>\$ 8,372,897.19</u>
Balance at 06/30/20	<u><u>\$ 544,330,310.07</u></u>		<u><u>\$ 242,981,041.95</u></u>			<u><u>\$ 787,311,352.02</u></u>

{1} Excludes misposting of \$51,000 accrual that reverses in April 2019.

Date Submitted via email: 7/31/2020
Prepared by: Jim O'Toole
Phone No.: 973-401-8296
E-mail: jotoole@firstenergycorp.com

**Jersey Central Power & Light Company
Calculation of USF Recovery**

	SAP 182947	SAP 182946	182627		SAP 182947	182946-182947
	USF Credits Issued	Arrearage Forgiveness	Administrative Costs Other (c)	Administrative Costs - Postage and Mailing	USF Funds Received From Clearinghouse	Under (Over) Recovery
					Amount	Date
Balance at 6/30/19	\$274,996,206.78	\$15,602,210.36	(\$17,065.16)	\$17,065.16	\$294,906,868.86	(\$4,308,451.72)
Jul-19	1,138,821.97	41,760.16	0.00	0.00	996,528.23	7/02/2019, 07/31/19 184,053.90
Aug-19	1,051,505.75	27,230.10	0.00	0.00	0.00 (w)	1,078,735.85
Sep-19	1,044,862.97	27,454.23	0.00	0.00	1,307,263.74	09/18/19 (234,946.54)
Total July19-Sept19	<u>\$3,235,190.69</u>	<u>\$96,444.49</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2,303,791.97</u>	<u>\$1,027,843.21</u>
Balance at 9/30/19	\$278,231,397.47	\$15,698,654.85	(\$17,065.16)	\$17,065.16	\$297,210,660.83	(\$3,280,608.51)
Oct-19	1,065,726.40	35,040.62	0.00	0.00	178,263.02	10/01/19, 10/29/19 922,504.00
Nov-19	994,051.37	27,143.93	0.00	0.00	2,209,014.28 (w)	(1,187,818.98)
Dec-19	969,278.88	24,971.70	0.00	0.00	915,263.76	09/18/19 78,986.82
Total Oct19-Dec19	<u>\$3,029,056.65</u>	<u>\$87,156.25</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$3,302,541.06</u>	<u>12/19/19 (\$186,328.16)</u>
Balance at 12/31/19	\$281,260,454.12	\$15,785,811.10	(\$17,065.16)	\$17,065.16	\$300,513,201.89	(\$3,466,936.67)
Jan-20	1,151,846.71	24,235.05	0.00	0.00	844,706.43	01/13/20 331,375.33
Feb-20	914,143.43	23,308.95	0.00	0.00	929,561.49	01/31/20 7,890.89
Mar-20	974,784.80	27,583.80	0.00	0.00	1,124,025.09	03/04/20 (121,656.49)
Total Jan20-Mar20	<u>\$3,040,774.94</u>	<u>\$75,127.80</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2,898,293.01</u>	<u>\$217,609.73</u>
Balance at 03/31/20	\$284,301,229.06	\$15,860,938.90	(\$17,065.16)	\$17,065.16	\$303,411,494.90	(\$3,249,326.94)
Apr-20	1,033,659.02	24,004.74	0.00	0.00	0.00	01/13/20 1,057,663.76
May-20	899,499.12	26,695.55	0.00	0.00	1,705,857.58	01/31/20 (779,662.91)
Jun-20	1,026,330.91	24,911.00	0.00	0.00	961,017.64	03/04/20 90,224.27
Total Apr20-Jun20	<u>\$2,959,489.05</u>	<u>\$75,611.29</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2,666,875.22</u>	<u>\$368,225.12</u>
Balance at 06/30/20	<u><u>\$287,260,718.11</u></u>	<u><u>\$15,936,550.19</u></u>	<u><u>(\$17,065.16)</u></u>	<u><u>\$17,065.16</u></u>	<u><u>\$306,078,370.12</u></u>	<u><u>(\$2,881,101.82)</u></u>

- (a) Reflects legal expenses and advertising costs (related to BPU Notice publication) incurred and deferred for future recovery pursuant to NJBPU Order, Docket No. EX00020091, dated 11/21/01. Previously audited and reported to NJBPU during Transition Period in the monthly deferred balances report.
- (b) Reflects postage and mailing of initial USF participant enrollment letters sent on behalf of the Board. Does not include additional postage and mailing costs subsequently incurred.
- (c) Does not include advertising costs related to April 23, 2004 publication of Notice of Filing and Public Hearing required by BPU or other administrative costs incurred.
- (d) Excludes \$25,979.45 applied to interest account. See Calculation of Interest.
- (e) Excludes \$23,327.75 applied to interest account. See Calculation of Interest.
- (f) Includes application of \$70,762.77 of interest (over-recovery as of 10/31/06) from interest account to USF Credit/Recovery Account.
- (g) Includes correction to Nov-06 interest application that incorrectly included the interest accrued in Oct-06 (should have included interest balance through Sep-06).
- (h) Includes application of \$21,219.01 of interest (over-recovery as of 9/30/07) from interest account to USF Credit/Recovery Account.
- (i) Includes retroactive adjustment to 2006-2008 postage costs incorrectly charged to NJ USF.
- (j) Excludes \$55,175.19 applied to interest account. See Calculation of Interest.
- (k) December transfer from Trust Account not received as of report submittal on 01/12/09.
- (l) Excludes \$19,312.14 applied to interest account. See Calculation of Interest.
- (m) Includes administrative costs approved for recovery in BPU Order dated 6/21/10 Docket EO09090771.
- (n) Includes administrative costs approved for recovery in BPU Order dated 10/20/10, Docket No.ER10060436.
- (o) Excludes \$1,914.35 applied to interest account. See Calculation of Interest.
- (p) December fund disbursement of \$2,019,010.90 applied to recover administrative costs (\$650,592.68), interest related to administrative costs (\$869.32) and the remainder to USF credits account (\$1,367,548.90).
- (q) Balance includes \$7,472.00 adjustment to correct Dec-04 reporting for previously recovered postage and mailing costs. Revised balance at 3/31/11 reflects postage and mailing from Aug10-Mar11.
- (r) Additional administrative costs approved for recovery and December reimbursement in accordance with BPU Order, Docket ER11070397 dated 10/31/11.
- (s) Includes administrative costs (\$9,723) approved for recovery in BPU Order dated 9/18/13 Docket ER13060534.
- (t) Includes administrative costs (\$9,723) correction, which was posted incorrectly to account 182947 in October 2013 instead of 182627. The monthly activity including a credit of (\$9,723) offset by \$10,764.65, which nets to \$1,041.65, representing the recovery of administrative costs through June 2013 (Docket No. ER13060534). The current month postage charges are \$257.35.
- (u) Includes administrative costs \$64,072 approved for recovery in BPU Order dated 9/30/14 Docket ER14060613. The monthly activity includes a credit of (\$64,072) offset by a debit in the amount of \$62,178.20 (Public Notice Invoice) and a credit of administrative charges (\$3,453.18). The net of the above journal entry of (\$5,346.98) represents the clearing of administrative costs through June 2014. The current month postage charges are \$254.46.
- (v) December 2016 transfer from Trust Account not received as of report January 31, 2017 submittal date.
- (w) No transfer from Trust Account received.
- (x) No transfer from the Trust Account was received because the FE checking account to which it was submitted for deposit cannot accept "ACH" deposits.
- (y) The November 2017 transfer from the Trust Account had a wrong payment date – 12/4/18 instead 2017 .
- (z) An adjustment of \$155,326.09 was recorded in May 2019 to true-up JCP&L's general ledger account balance to the USF annual report.

Date Submitted via email: 7/31/2020

Prepared by: Jim O'Toole

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E-mail: jotoole@firstenergycorp.com

Jersey Central Power & Light Company
Calculation of Interest on USF Under-Recovery

	USF Balance Beginning of Month	USF Balance at End of Month	Average Deferred Taxes	Average Balance Net of Tax	Annual Interest Rate	182628 Total Interest Accrued
Balance at 6/30/19						<u>(\$218,391.68)</u>
Jul-19	(\$4,436,880.26)	(\$4,252,826.36)	(\$1,221,338.27)	(\$3,123,515.04)	2.38000%	(\$6,194.97)
Aug-19	(\$4,252,826.36)	(\$3,174,090.51)	(\$1,043,853.17)	(\$2,669,605.27)	2.33000%	(\$5,183.48)
Sep-19	(\$3,174,090.51)	(\$3,409,037.05)	(\$925,258.58)	(\$2,366,305.20)	2.07000%	(\$4,081.88)
						(g) <u>(\$2,237.45)</u>
Total July19-Sept19						<u>(\$107,660.92)</u>
Balance at 9/30/19						<u>(\$236,089.46)</u>
Oct-19	(\$3,516,697.97)	(\$2,594,193.97)	(\$858,885.86)	(\$2,196,560.11)	2.16000%	(\$3,953.81)
Nov-19	(\$2,594,193.97)	(\$3,782,012.95)	(\$896,175.88)	(\$2,291,927.58)	2.16000%	(\$4,125.47)
Dec-19	(\$3,782,012.95)	(\$3,703,026.13)	(\$1,052,022.24)	(\$2,690,497.30)	2.21000%	(\$4,955.00)
Total Oct19-Dec19						<u>(\$13,034.28)</u>
Balance at 12/31/19						<u>(\$249,123.74)</u>
Jan-20	(\$3,703,026.13)	(\$3,371,650.80)	(\$994,345.84)	(\$2,542,992.62)	2.18000%	(\$4,619.77)
Feb-20	(\$3,371,650.80)	(\$3,363,759.91)	(\$946,661.98)	(\$2,421,043.38)	1.96000%	(\$3,954.37)
Mar-20	(\$3,363,759.91)	(\$3,485,416.40)	(\$962,651.73)	(\$2,461,936.42)	1.44000% (h)	(\$2,954.32)
Total Jan20-Mar20						<u>\$11,528.46</u>
Balance at 03/31/20						<u>(\$260,652.20)</u>
Apr-20	(\$3,485,416.40)	(\$2,427,752.64)	(\$831,095.91)	(\$2,125,488.61)	0.83000%	(\$1,470.14)
May-20	(\$2,427,752.64)	(\$3,207,415.55)	(\$792,022.89)	(\$2,025,561.21)	0.80000%	(\$1,350.37)
Jun-20	(\$3,207,415.55)	(\$3,117,191.28)	(\$888,923.49)	(\$2,273,379.93)	0.74000% (h)	(\$1,401.92)
Total Apr20-Jun20						<u>\$4,222.43</u>
Balance at 06/30/20						<u>(\$264,874.63)</u>

(a) Includes interest roll-in for compounding.

(b) Includes Clearinghouse Receipt 08/27/04 (\$25,979.45)

(c) Includes Clearinghouse Receipt 08/18/05 (\$23,327.75)

(d) Includes retroactive interest correction related to postage cost revision recorded in April 2008. See Recovery Calc footnote (i).

(e) Interest rate for Dec.2018 was revised from 3.08% to 3.43%, triggering the recording of a \$1,122.53 retroactive adjustment in Jan.2019.

(f) Includes a May 2019 adjustment of \$155,326.09 to true-up JCP&L's general ledger account balance to the USF annual report.

(g) July 2019 Interest adjustment due to a revised interest rate. See footnote (e).

(h) March 2020 Interest adjustment due to a timing issue of \$484.93 recorded in April 2020.

Date Submitted via email: 7/31/2020
Prepared by: Jim O'Toole
Phone No.: 973-401-8296
E-mail: jotoole@firstenergycorp.com

* Reflects interest related to legal expenses and advertising costs (related to BPU Notice publication) incurred and deferred for future recovery pursuant to NJBPU Order, Docket No. EX00020091, dated 11/21/01. Previously reported to NJBPU during Transition Period in the monthly deferred balances report.

Data Dictionary Table 3

	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
Number of USF customers	21,679	21,595	21,718	21,489	21,483	21,477
Distribution of USF Benefits						
under \$25	9,046	7,291	7,580	8,372	6,532	7,776
under \$50	5,151	4,068	4,289	4,734	3,673	4,449
under \$75	3,324	2,623	2,781	3,007	2,432	2,868
under \$100	2,114	1,677	1,792	1,912	1,540	1,814
under \$125	1,446	1,116	1,196	1,246	1,044	1,183
under \$150	831	627	696	721	589	674
over \$150	1,391	1,138	1,191	1,245	1,036	1,146
Distribution of Arrearage Forgiveness						
under \$25	279	221	216	211	201	233
under \$50	124	111	121	115	118	129
under \$75	59	42	53	53	44	56
under \$100	37	33	39	34	24	26
under \$200	56	43	54	49	46	45
under \$300	5	12	12	10	11	8
under \$400	2	4	3	1	-	2
under \$500	2	1	1	2	3	3
over \$500	-	2	3	3	5	3
Distribution of Full Retail Bills						
under \$50	5,100	5,940	6,118	6,540	6,801	6,218
under \$100	7,054	7,073	7,131	7,311	7,394	7,428
under \$150	3,508	3,309	3,444	3,557	3,875	3,736
under \$200	2,063	1,959	1,944	2,011	1,957	1,947
under \$250	1,396	1,385	1,330	1,044	807	962
over \$250	2,420	1,825	1,594	877	533	1,058

No. of Participants Terminated for Non-Payment is not available.

Date submitted via email 7/29/2020

Prepared By: Michelle Dye

Phone No.: 681-753-5513

E-mail: mdye@firstenergycorp.com