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November 30, 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

VIA OVERNIGHT MAIL & ELECTRONIC MAIL

Aida Camacho-Welch, Secretary Board of Public Utilities
44 South Clinton Avenue, Suite 314
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DEC 03 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Re: Docket No. ER18040356 – In the Matter of the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2019.

Dear Secretary Camacho-Welch,

On the behalf Jersey Central Power & Light Company ("JCP&L"), enclosed herewith for filing with the Board of Public Utilities ("Board") is JCP&L's Company Specific Addendum Compliance Filing (original and 11 copies) in the above-referenced matter. JCP&L's Company Specific Addendum Compliance Filing is being made in response to the Board's November 19, 2018 Order regarding the electric distribution companies ("EDCs") joint proposal for an auction process for the procurement of supply for the provision of basic generation service ("BGS") for the period beginning June 1, 2019.

JCP&L's Company Specific Addendum Compliance Filing supplies JCP&L-specific information relating to such matters as committed supply, contingency plans, BGS accounting and cost recovery, and proposed tariff sheets.

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Aida Camacho-Welch, Secretary
December 3, 2018
Page 2

Under separate cover, Public Service Electric and Gas Company will be submitting to the Board, on behalf of itself and the other New Jersey EDCs, *i.e.*, Atlantic City Electric Company, JCP&L and Rockland Electric Company, the EDCs' Compliance Filing with respect to their joint proposal.

Kindly stamp the enclosed copy of this letter with the date of filing and return same to the undersigned in the enclosed, self-addressed stamped envelope.

Thank you for your anticipated courtesy and cooperation.

Respectfully submitted,



Jennifer Spricigo
Staff Analyst
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C: (w/enclosures- Via Overnight Mail)
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(Via electronic notice)
Remainder of Service List and Other Interested Parties

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

IN THE MATTER OF THE PROVISION OF
BASIC GENERATION SERVICE FOR THE
PERIOD BEGINNING JUNE 1, 2019

Docket No. ER18040356

JERSEY CENTRAL POWER & LIGHT COMPANY

PROPOSAL FOR
BASIC GENERATION SERVICE
BEYOND MAY 31, 2019

COMPANY SPECIFIC ADDENDUM
COMPLIANCE FILING

November 30, 2018

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I. Use of Committed Supply and Contingency Plans**A. Committed Supply**

“Committed Supply,” means power supplies to which JCP&L has an existing physical or financial entitlement. This will include specifically NUG contracts, including any restructured replacement power contracts, customer generation under the operational control of JCP&L and generation assets still owned by JCP&L, namely Yards Creek. JCP&L will retain the right to negotiate changes in all NUG contracts and to make changes with respect to the operational control over Yards Creek and dispatchable NUGs.

In prior auctions, JCP&L provided renewable attributes from non-utility generation contracts on a pro-rata basis to BGS-RSCP Suppliers. Since JCP&L’s last non-utility generation contract with renewable attributes was terminated in February 2017, no renewable attributes will be available going forward.

As previously directed by the Board in its Order dated December 11, 2001 (Docket No. EX01050303), except where retained to meet requirements of the Contingency Plan, JCP&L will continue to sell all of the remaining energy, capacity and ancillary services associated with its Committed Supply into the PJM Spot Market unless and until the Board determines that a different sales protocol is appropriate. All net revenues from these sales will be credited to the NGC, provided that, in the case of JCP&L-owned generation assets, the all-in costs of those assets will continue to be recovered through BGS charges or JCP&L’s NGC Deferred Balance.

In the event that JCP&L is required to invoke its Contingency Plan, Committed Supply may be used to offset requirements associated with the Contingency Plan.

To the extent that JCP&L remains obligated to meet the renewable portfolio standards requirement with respect to the 10 MW it serves¹, JCP&L will purchase sufficient amounts of renewable energy credits (RECS and SRECS) and/or make requisite solar alternative compliance payments to meet its solar requirement. BGS-RSCP and CIEP Suppliers will be responsible for obtaining and providing related verification information to JCP&L for the minimum Solar, Class I and Class II percentages or amounts required in the RPS associated with the tranches they serve, subject to the foregoing limitations, to each BGS-RSCP and BGS-CIEP Supplier's tranches using the BGS-RSCP and BGS-CIEP Supplier Responsibility Share. Such verification will be provided to the Company no later than two weeks prior to the due date for the annual RPS report of October 1st, or the extended due date if applicable.

B. Contingency Plans

While not every contingency can be anticipated, JCP&L has identified three possible occurrences for which a Contingency Plan has been developed:

- (a) JCP&L receives an insufficient number of bids to provide for a fully subscribed Auction Volume, either for the BGS-RSCP auction or the BGS-CIEP auction;
- (b) A default by one of the winning bidders prior to June 1, 2019;

¹ JCP&L currently serves 10 MW of BGS-RSCP load associated with its role as the nominal recipient of power under a 2004 agreement with the New York Power Authority (the "St. Lawrence allocation"). The Public Power Association of New Jersey ("PPANJ") has petitioned the Board of Public Utilities requesting authorization to receive the entire St. Lawrence allocation on behalf of PPANJ's members. JCP&L will continue to serve the 10 MW of load associated with the St. Lawrence allocation pending a final determination by the Board.

(c) A default during the June 1, 2019 – May 31, 2022 supply period.

(a) Insufficient Number of Bids in Auction

In order for the Auction Process to achieve the best price for customers, the degree of competition in the auction must be sufficient. To ensure a sufficient degree of competition, the target volume of BGS-RSCP and BGS-CIEP Load purchased at each auction will be decided after the round 1 bids are received. Provided that there are sufficient bids at the starting prices, the auctions will be held for 100% of BGS-CIEP Load with yearly rolling procurements for the BGS-RSCP Load, where one-third of the required supply is contracted for the next three years.

It is possible that the number of initial bids will not result in a competitive auction for 100% of the BGS-CIEP Load and one-third of the yearly BGS-RSCP Supply. This determination will be made by the Auction Manager in consultation with the State's electric distribution companies, BPU Staff and the Board Advisor.

In the event that the Auction volume is reduced to less than 100% of BGS-RSCP or BGS-CIEP Load, JCP&L will implement a Contingency Plan for the remaining tranches. Under that plan, JCP&L will purchase necessary services for the remaining tranches through PJM-administered markets. JCP&L's procurements will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated price or volume risks to serve these tranches.

This Contingency Plan will alert bidders that in order to secure BGS-RSCP or BGS-CIEP prices from New Jersey BGS customers for the bidders' supply, it will be necessary to bid in the auctions.

Failure to bid will mean that the BGS market faced by suppliers will be a spot market with volatility and related risks.

Since the Contingency Plan calls for the purchase of BGS supply in PJM-administered markets, it is considered a strong feature of the auction proposal because it provides bidders a strong incentive to participate in the Auction Process. If bidders were to believe that a less than fully subscribed auction would lead to a negotiation or a secondary market in which JCP&L, on behalf of its customers, would seek to acquire seasonally differentiated-priced supplies, then the incentive to participate in the auction and the incentive for bidders to present their best offer in the auction would be diminished.

(b) Defaults prior to June 1, 2019

If a winning bidder defaults prior to the beginning of the BGS service, then, at JCP&L's option, the open tranches may be offered to the other winning bidders or these tranches may be bid out as quickly as possible, or procured in PJM-administered markets. JCP&L's procurements in PJM-administered markets will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated price or volume risks to serve these tranches. Additional costs incurred by JCP&L in implementing this Contingency Plan will be assessed against the defaulting supplier's credit security, to the extent available.

(c) Defaults during the Supply Period

If a default occurs during the June 1, 2019 through May 31, 2022 period, at JCP&L's option, the available tranches may be offered to other winning bidders or bid out or procured in PJM-

administered markets. JCP&L's procurements in PJM-administered markets will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated price or volume risks to serve these tranches. Additional costs incurred by JCP&L in implementing this Contingency Plan will be assessed against the defaulting supplier's credit security, to the extent available.

II. ACCOUNTING AND COST RECOVERY

The accounting and cost recovery that JCP&L proposes for its BGS is summarized in this section. These provisions are intended to be applicable to JCP&L only. Each EDC will provide individual BGS cost recovery proposals.

A. BGS-RSCP and BGS-CIEP Reconciliation Charges (BGS-RSCPRC, BGS-CIEPRC)

JCP&L's BGS accounting will account for BGS-RSCP revenues and BGS-CIEP revenues individually as follows:

1. BGS-RSCP and BGS-CIEP revenues will be tracked using established accounting procedures and recorded separately as BGS-RSCP revenue and BGS-CIEP revenue.
2. As previously established for JCP&L, uncollectible revenues are recovered through a component of JCP&L's Societal Benefits Charge.
3. Revenues related to the Board-approved pass-through of Transmission Charge increases (e.g., TEC) will be tracked separately and recorded using established accounting procedures.

JCP&L's BGS accounting will account for BGS-RSCP and BGS-CIEP costs individually as the sum of the following:

1. Payments made to winning BGS bidders for the provision of BGS-RSCP or BGS-CIEP service.
2. Any administrative costs associated with the provision of BGS-RSCP and BGS-CIEP service.
3. The cost of any procurement of necessary services, including capacity, energy, ancillary services, transmission and other expenses related to the Contingency Plan, less payments, if any, recovered from defaulting bidders or from defaulting bidders' credit security.
4. Costs related to the Board-approved pass-through of Transmission Charge increases (e.g., TEC) will be tracked separately and recorded using established accounting procedures.

BGS-RSCP and BGS-CIEP rates will be subject to deferred accounting since there will be differences between the BGS revenue and costs (as defined above). Adjustment-type charges are necessary in order to balance out the difference between (1)(x) the amount paid to the BGS-RSCP and BGS-CIEP suppliers for BGS-RSCP and BGS-CIEP supply, (y) the total administrative costs, net of amounts received from BGS-RSCP and BGS-CIEP suppliers, and (z) the total Contingency Plan costs, net of recoveries from defaulting bidders, and (2) the total revenue received from customers for BGS-RSCP and BGS-CIEP services, respectively.

A BGS deferral/credit will be determined individually for the BGS-RSCP and BGS-CIEP rates as the difference between recorded BGS-RSCP or BGS-CIEP revenue and the total BGS-RSCP or BGS-CIEP costs. The individual BGS deferrals will be accounted for in the following manner:

1. If individual BGS costs, as defined above, are higher than individual BGS recorded revenue, then the difference will be charged on a monthly basis to a reconciliation account to be reconciled and recovered from customers, with interest, on a quarterly basis through the BGS-RSCPRC and/or the BGS-CIEPRC;
2. If individual BGS costs, as defined above, are lower than individual BGS recorded revenue, then the difference will be credited on a monthly basis to a reconciliation account to be reconciled and returned to customers, with interest, on a quarterly basis through the BGS-RSCPRC and/or BGS-CIEPRC.

Reconciliation Charge rates will be calculated separately each quarter, with interest, for BGS-RSCP and BGS-CIEP, on a cents/kWh basis, and the respective rates applied to all BGS-RSCP and BGS-CIEP kWh billed. Interest will be calculated monthly at the interest rate equal to the average monthly rate actually incurred on the Company's short term debt (debt maturing in less than one year), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding. These charges may be combined with the seasonally differentiated BGS-RSCP rates and BGS-CIEP hourly charges for billing, although they will be published in separate BGS-RSCPRC and BGS-CIEPRC tariff sheets that will be revised quarterly to reflect adjustments made based on actual costs.

Consistent with the Board-approved mechanisms for all prior BGS Post Transition Years and the related quarterly reconciliations, JCP&L will file formula-based BGS-RSCPRC and BGS-CIEPRC rates with the Board at least 30 days in advance of the effective dates. The filed rates will become final and effective 30 days after filing, absent a determination of manifest error by the Board. The quarterly reconciliation effective dates will be March 1, June 1, September 1 and December 1 of each year. For billing reasons, the June 1 effective date for reconciliation is aligned with the beginning of the BGS annual supply period (i.e., June 1, 2019). The subsequent formula-based reconciliation will continue every three months thereafter.

In connection with this filing, JCP&L is requesting the Board to make the following determinations with respect to BGS accounting and cost recovery:

1. that JCP&L's proposed accounting for BGS is approved by the Board for purposes of accounting and BGS cost recovery; and
2. that the proposed BGS Contingency Plan is approved by the Board and there will exist a presumption of reasonableness and prudence with respect to (i) the

BGS Auction Plan method, (ii) the costs incurred for BGS supply under the Auction Plan, and (iii) the related Contingency Plan.

B. Accounting for the NGC Deferred Balance

The NGC Deferred Balance will be credited with net revenues from the sale of Committed Supply energy, capacity and ancillary services in the wholesale market.

The NGC Deferred Balance will be charged with all costs associated with Committed Supply, including NUGs and Yards Creek.

III. DESCRIPTION OF BGS TARIFF SHEETS AND OTHER TARIFF CHANGES

A. General

As described in the generic section of the EDCs' 2019 BGS Proposal, two different methods will be utilized for the pricing of BGS default supply service to customers – seasonally differentiated energy pricing and variable hourly energy pricing. For JCP&L, the seasonally differentiated energy pricing will be termed “Basic Generation Service – Residential Small Commercial Pricing”, or BGS-RSCP, and the hourly energy pricing service will be termed “Basic Generation Service – Commercial Industrial Energy Pricing”, or BGS-CIEP.

The BGS-RSCP default service is proposed to be available to residential and small and medium sized business customers, specifically those served on Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED, except as noted below. This comprises the majority of the number of customers and approximately 85% of the total load on the JCP&L electric system.

The BGS-CIEP default service will be available to the larger business customers, specifically those served on Service Classifications GP – General Service Primary and GT- General Service

Transmission, and as noted below. Approximately 866 customers, excluding GS and GST customers as noted below, would thus be eligible to receive BGS-CIEP default service, which would comprise about 15% of the total load on the JCP&L electric system.

B. BGS-RSCP (Rider BGS-RSCP)

The tariff sheet for the Basic Generation Service – Residential Small Commercial Pricing (BGS-RSCP) default supply service is included in Attachment 1. The BGS-RSCP default service is proposed to be available to customers served on Service Classification RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED, except for GS and GST customers with peak load shares of 500 kW or greater as of November 1, 2018, and those GS and GST customers that have opted to take BGS-CIEP default service for the 2019/2020 BGS Supply Period (June 1, 2019 through May 31, 2020) as of January 3, 2019.

On any meter reading date, and with prior requisite notice, a customer taking supply service under BGS-RSCP may switch to third-party supply service, and a customer taking third-party supply service may switch to BGS-RSCP supply service.

As indicated on the proposed tariff sheet, the BGS-RSCP default service is made up of three components: BGS-RSCP Energy Charges, BGS-RSCP Transmission Charges, and the BGS-RSCP Reconciliation Charge.

(1) BGS-RSCP Energy Charges

The BGS-RSCP Energy Charges applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED, except for certain GS and GST customers as noted above, include the costs related to energy, ancillary services and generation capacity and administrative-related

costs. This calculation is consistent with the current, approved methodology of recovering all electric supply service costs in the kWh charges for these rate classes.

The specific costs that will be used to calculate the BGS-RSCP Energy Charges will be calculated as the “winning bid price” for the JCP&L zone times the appropriate Ratio of BGS Unit Costs at customer to All-In Average Cost at transmission nodes, as shown on Table #C7 of the Composite Cost Allocation of the 2019 BGS Auction Cost and Bid Factor Tables, included in Attachment 2, less the applicable transmission charge. “Winning bid price” is defined as the tranche weighted average of the winning bid prices adjusted for the seasonal payment factors. For the RS rate class, the Summer energy charges are further modified by the blocking differential found in Table #C7 of the Composite Cost Allocation of the 2019 BGS Auction Cost and Bid Factor Tables.

JCP&L will identify all GS and GST customers with loads of 500 kW or greater based on the individual customer’s share of the capacity peak load as in effect as of November 1, 2018 assigned to the JCP&L Transmission Zone by the PJM Interconnection, L.L.C., adjusted for billing anomalies.

(2) BGS-RSCP Transmission Charges

BGS-RSCP Transmission Charges will be based on such applicable rate schedules on file with and approved by the Board as may be in effect from time to time.

In compliance with the BGS-RSCP Supplier Master Agreement, JCP&L will file with the BPU to change the transmission cost components of the BGS charges to customers as the Federal Energy Regulatory Commission (the “FERC”) approves changes in the Network Integration Transmission Service charges for the JCP&L zone in the PJM Open Access Transmission Tariff (the “PJM

OATT”), or the FERC approves other network transmission-related charges in the PJM OATT. JCP&L will review and verify the basis for any BGS transmission charge adjustment, file supporting documentation from the PJM OATT as well as any rate translation spreadsheets used.

(3) BGS-RSCP Reconciliation Charge

Implementation of the BGS-RSCP Reconciliation Charge for the BGS-RSCP default service is explained in Section III - Accounting and Cost Recovery, above.

C. BGS-CIEP (Rider BGS-CIEP)

The tariff sheet for the Basic Generation Service – Commercial Industrial Energy Pricing (BGS-CIEP) is included in Attachment 1. The BGS-CIEP default service will be the only default service for customers served on Service Classifications GP – General Service Primary and GT – General Service Transmission and for customers served on Service Classifications GS – General Service Secondary and GST – General Service Secondary Time-of-Day customers with peak load shares of 500 kW or greater as of November 1, 2018, those GS and GST customers that have opted to take BGS-CIEP default service for the 2019/2020 BGS Supply Period (June 1, 2019 through May 31, 2020) as of January 3, 2019, and those GS and GST customers that previously opted to take BGS-CIEP default service and do not notify the Company, by January 3, 2019, that they opt to return to BGS-RSCP default service for the 2019/2020 BGS Supply Period (June 1, 2019 through May 31, 2020).

All GS and GST customers (with the exception of non-metered accounts) may “opt in” to BGS-CIEP, effective June 1, 2019, provided that they notify the Company no later than January 3, 2019. The Company will post a notice on its website informing these customers that they may voluntarily

opt-in to BGS-CIEP, along with a toll free number, printable enrollment form or web address to use to opt in.

All customers voluntarily requesting to be billed under BGS-CIEP will be required to pay the metering and communications costs to accommodate BGS-CIEP billing. In addition, any GS customer with special provision (d) or (e) for restricted water heating service (“Restricted Off-Peak Water Heating Service” or “Restricted Controlled Water Heating Service”) who opts to take BGS-CIEP will no longer qualify for such special provisions effective June 1, 2019.

The rates for BGS-CIEP are comprised of several segments: BGS-CIEP Energy Charges, a BGS-CIEP Capacity Charge, BGS-CIEP Transmission Charges and the BGS-CIEP Reconciliation Charge.

(1) BGS-CIEP Energy Charges

The primary component of this charge will be the actual real time PJM load weighted average Residual Metered Aggregate Locational Marginal Price (“LMP”) of energy for the JCP&L Transmission Zone plus the ancillary service costs (including PJM Administrative Costs). This sum will then be adjusted for losses for service at the various voltage levels to which this service is applicable (such losses will be updated to reflect actual PJM marginal loss). The ancillary service costs will be set at \$0.006 per kWh for all monthly usage.

(2) BGS-CIEP Capacity Charge

This charge is designed to recover the costs associated with generation capacity for customers served under Service Classifications GP and GT, GS and GST customers that have a peak load share of 500 kW or greater as of November 1, 2018, and GS and GST customers that have opted

in no later than January 3, 2019. The BGS-CIEP Capacity Charge is expressed on a per kW of generation capacity obligation at \$0.xxxxx per kW-day to be applied to the customer's share of capacity peak load assigned to the JCP&L Transmission Zone by PJM, as adjusted by PJM assigned capacity related factors. The capacity charge will be determined in the BGS-CIEP Auction Process.

(3) BGS-CIEP Transmission Charges

The BGS-CIEP Transmission Charges will be based on such applicable rate schedules on file with and approved by the Board as may be in effect from time to time.

In compliance with the BGS-CIEP Supplier Master Agreement, JCP&L will file with the BPU to change the transmission cost components of the BGS charges to customers as the FERC approves changes in the Network Integration Transmission Service rates for the JCP&L zone in the PJM OATT, or the FERC approves other network transmission-related charges in the PJM OATT. JCP&L will review and verify the basis for any BGS transmission charge adjustment, file supporting documentation from the PJM OATT as well as any rate translation spreadsheets used.

(4) BGS-CIEP Reconciliation Charge

Implementation of the BGS-CIEP Reconciliation Charge for the BGS-CIEP default service is explained in Section III - Accounting and Cost Recovery, above.

D. CIEP Standby Fee (Rider CIEP - Standby Fee (formerly Rider DSSAC))

This charge (formerly the "Default Supply Service Availability Charge"), equal to \$0.00015 per kWh of BGS-CIEP-Eligible Customers' usage, is intended to recover the BGS-CIEP Suppliers' costs associated with maintaining the availability of the hourly priced default electric supply

service for all customers on the applicable rate classes as indicated in the Rider and, thus, this charge will be paid directly to the BGS-CIEP Suppliers by the Company.

IV. DESCRIPTION OF BGS PRICING SPREADSHEET

The charge for each BGS rate element (*i.e.* Rate RT Summer charge, Winter charge, etc.) for the BGS-RSCP service will be based on a factor times the final winning bid price. These factors have been developed based on the ratios of the estimated underlying market costs of each rate element (for each rate class) to the overall all-in BGS cost, as determined by the percent load weighted costs of the remaining load served from the 2017 and 2018 BGS auctions and the forecasted cost for the 2019 BGS auction. The tables included in Attachment 2 present all of the input data, intermediate calculations, and the final results in the calculation of these ratios.

A separate cost allocation is performed for each auction (2017/2018, 2018/2019 and 2019/2020, BGS Supply Periods). Except where noted, the tables are identical for each year.

Table #1 (% Usage during PJM On-Peak Period) contains the percentage of on-peak load, inputted by month, for each rate schedule. The on-peak period as used in this table (referred to as PJM periods) is defined as the 16-hour period from 7 AM to 11 PM, Monday through Friday (non-holidays). All remaining weekday hours and all hours on weekends and holidays recognized by the National Electric Reliability Council ("NERC") are considered the off-peak period. This is consistent with the time periods used in the forwards market for trading of bulk power. The values in this table are an average based on the on-peak versus total usage for the respective rate class and calendar month using 2015, 2016 and 2017 data.

Table #2 (% Usage During JCP&L On-Peak Billing Period) contains the percentage of on-peak load, forecasted for 2018, by month, for JCP&L's RT and GST rate schedule based on the

definitions of time periods as contained in JCP&L's Tariff under the applicable rate schedule. RT and GST are the two rate schedules in Table #1 for which JCP&L bills energy charges differentiated by on-peak and off-peak prices.

Table #3 (Class Usage @ customer) contains the calendar month sales forecasted for the calendar year 2018. The values in Table #3 will be updated in January 2019 to better reflect the amount by rate schedule that could be in effect starting on June 1, 2019. The GS and GST classes exclude the usage of those accounts with peak load shares of 500 kW or greater to be served under BGS-CIEP.

Table #4 (Forwards Prices – Energy Only @ bulk system) contains the forwards prices for energy, by time period and month, for the applicable Post Transition Year. For the 2017/2018 and 2018/2019 BGS Supply Periods, the initial prices that were used were adjusted by a uniform amount (see Table #17) so that the total costs match the total payments at the final bid price for the 36-month tranches from the 2017 and 2018 BGS auctions. These values consist of the published energy on-peak forwards at the time the respective year's Pricing Spreadsheet was developed, and an estimate of the unpublished costs for the off-peak periods of each month derived based on a ratio of on-peak to off-peak prices.

An adjustment of the forward prices contained in Table #4 must be made to correct for the pricing differential between the PJM West trading hub and the JCP&L zone where the BGS supply will be utilized.

Table #5 (Zone-Hub Basis Differential) contains an estimate of the average differential, by month and time period, which, when multiplied by the prices at the PJM West trading hub, will result in costs for power delivered into the JCP&L zone.

The factors utilized for average system losses and unaccounted-for supply are inputted in Table #6 (Losses) by rate schedule. Loss factors (@ bulk) are those currently in effect and approved by the Board. Since the service for all of the rates indicated is at secondary voltages, the loss factors are identical for all rates. The loss factors (@ transmission node) shown on the lower portion of this Table reflected PJM marginal loss.

Table #7 (Summary of Average BGS Energy Only Unit Costs @ customer – PJM Time Periods) is the calculation of the energy-only costs by rate, time period and season. These values are the seasonal and time period average costs per MWh as measured at the customer billing meter (from Table #3), based on the forward prices (from Table #4) corrected for zone-hub differential (from Table #5), losses (from Table #6), and monthly time period weights (from Table #1). These average costs do not include the costs associated with Ancillary Services, Renewable Portfolio Standard compliance, Generation Obligation or Transmission, which will be considered in subsequent calculations.

Table #8 (Summary of Average BGS Energy Only Costs @ Customer – PJM Time Periods) indicates the total value, in thousands of dollars, of the average BGS energy-only costs. These are the results of the multiplication of the unit costs from Table #7 and the total sales to customers from Table #3. Since the end result of these calculations will be utilized in the development of retail BGS rates, the rates utilizing time-of-day pricing must be developed based upon the time periods as defined for billing.

Table #9 (Summary of Average BGS Energy Only Unit Costs @ Customer – JCP&L Time Periods) shows the result of the corrections for the RT and GST rates billed on a time-of-day basis. These values are calculated by starting with the revenue in Table #8. Because JCP&L bills fewer

on-peak hours than the hours defined by PJM, a portion of the PJM on-peak costs had to be reallocated to the revenue to be collected at Tariff off-peak hour prices. This was accomplished by first calculating the difference between the two sets of on-peak hours by multiplying the total respective RT and GST MWh usage for each month from Table #3 by the percentages in Table #1 versus the percentages in Table #2. This difference between these two sets of on-peak MWh was then totaled by season (Summer and Winter) and multiplied by the average of the applicable Summer or Winter on-peak and off-peak prices in Table #7. This revenue amount was added to the respective off-peak revenue amount in Table #8 and subtracted from the respective on-peak revenue amount in Table #8. The revenue amounts in Table #8 (with the respective RT and GST on-peak and off-peak revenue adjusted by the calculations noted above) were then divided by the Tariff-based MWh for the respective rate class and usage type (total, on-peak or off-peak) and season (Summer or Winter) to arrive at the unit costs in Table #9.

Table #10 sets up the calculations to establish the costs of the Generation Capacity and Transmission obligations. The top portion of Table #10 (Generation & Transmission Obligations and Costs) shows the total obligations, by rate schedule, that are currently being utilized in the year 2018, with the GS and GST obligation reduced to reflect the accounts with a peak load share of 500 kW or greater taking service under BGS-CIEP. The values in the top portion of Table #10 will be updated in January 2019 to better reflect the aggregate amount by rate schedule that could be in effect on June 1, 2019. The middle portion of this table shows the number of Summer and Winter days and months and the seasonally differentiated costs of generation capacity that were projected during the applicable BGS Supplier Period. For the 2017/2018 and 2018/2019 BGS Supply Periods, the initial prices used are adjusted by a uniform amount (see Table #17) so that the total costs match the final bid price for the 36-month tranches from the 2017 and 2018 BGS

auctions. The cost of transmission service is equal to the current transmission rate under the JCP&L retail tariff approved by the BPU, excluding the pass-through of transmission rate increases (e.g., TECs) that are subject to refund. The bottom portion of this table shows the Summer BGS price block differential for the RS rate class as prescribed by the Board. The percentage usage figures are based on the amount of RS Summer billing month usage forecasted to be billed at the respective price blocks for 2018. These price block usage percentages are used in Table #13 to lower the first block (0-600 kWh per month) and raise the second block (over 600 kWh per month) RS Summer prices on an overall revenue neutral basis.

Table #11 (Ancillary Services) For 2019/2020 BGS Supply Period, an estimate of the effects of the cost of ancillary services and the Renewable Portfolio Standard is included in the development of the final BGS rates. The values of \$2.00 per MWh and \$17.51 per MWh are used, respectively. Since the actual costs are a complex combination of many factors, this Board approved estimate of the overall annual average value, expressed on a dollar per MWh basis, is used as a reasonable and practical alternative. For the 2017/2018 and 2018/2019 BGS Supply Periods, the initial prices used are adjusted by a uniform amount (see Table #17) so that the total costs match the final bid price for the 36 month tranches from the 2017 and 2018 BGS auctions.

Table #12 (Summary of Obligation Costs Expressed as \$/MWh @ customer) provides transmission obligations, which are JCP&L's Tariff transmission rates for the rate schedules indicated, excluding the pass-through of transmission rate increases (e.g., TEC) , and sales and use tax, and shows the result of the allocation of generation costs on a per MWh basis. The values for the generation obligations are calculated by taking the total generation capacity costs from the middle of Table #10 (Summer, Winter and annual) and allocating them by rate class based on each rate class's portion of the BGS-RSCP Total Generation Obligation (from the top of Table #10).

The respective allocated capacity costs for each rate class and season are then divided by the associated MWh. The MWhs are taken from Table #3 for the All Hours costs to arrive at the Generation Obligation \$/MWh in Table #12. For RT and GST, the respective MWhs from Table #3 are multiplied by the on-peak percentages from Table #2 to arrive at the On-Peak Generation Obligation \$/MWh in Table #12.

Table #13 (Summary of BGS Unit Costs @ customer) is the result of the inclusion of the transmission (excluding the pass-through of transmission rate increases (e.g., TEC)), generation capacity, and Ancillary Services costs in the energy only costs shown in Table #9. Note: the Ancillary Services cost in Table #11 is corrected for losses (from Table #6). This table shows the total estimated all-in BGS costs on a dollars per MWh basis.

Table #14 (Units at Customer) is the forecasted 2018 units at customer (metered usage without losses) by rate class, season, usage block and on-peak versus off-peak as applicable.

Table #15 (Summary of Total Estimated BGS Costs by Season) provides the total cost by rate class by season, usage block and on-peak versus off-peak period, as applicable. This is based on the unit costs in Table #13 multiplied by the applicable units in Table #14.

Table #16 (Customer and Bulk System Costs) applies only to the 2017/2018 and 2018/2019 BGS Supply Periods. This table takes the total costs at customer from Table #15, summarizes the units from Table #14 by season and then calculates the Supplier Payment that would be required if 100% of the load was provided based on the final bid price and seasonal factors for the applicable auction year.

Table #17 (Adjustment Factor Calculation) applies only to the 2017/2018 and 2018/2019 BGS Supply Periods. This table compares the Total Supplier Payments from Table #16 to the total Estimated BGS Costs by Season in Table #15 based upon the initial Forwards Prices in Table #4, Generation Capacity Cost in Table #10 and Ancillary Service Charges in Table #11. The resulting Summer and Winter adjustment factors are then used to derive the adjusted Forwards Prices in Table #4, Generation Capacity Cost in Table #10 and Ancillary Service Charges in Table #11. After updating the applicable formulas with these adjustment factors the Total Suppliers Payments in Table #16 and the Total Estimated BGS Costs by Season in Table #15 should match within rounding error and the adjustment factor calculation should arrive at (or very close to) 1.

Table #18 (Bulk System Costs) applies only to the 2019/2020 BGS Supply Period. This table takes the total cost from Table #15 and divides it by the total units in Table #3 adjusted by the loss factors in Table #6 to derive the average annual cost per wholesale MWh.

Table #19 (Seasonal Payment Factors) performs a similar calculation to Table #18, but on a seasonal basis to arrive at the average Summer cost per wholesale MWh and the average Winter cost per wholesale MWh. It then compares these average seasonal costs to the average annual cost to derive the Seasonal Payment Factors for the 2019/2020 BGS Supply Period. Since the normal calculation would produce the atypical result of a Summer Seasonal Payment Factor that is lower than the Winter Seasonal Payment Factor for the 2019/2020 BGS Supply Period, a factor of 1.0 will be used for both the Summer and Winter Seasonal Payment Factors.

The Composite Cost Allocation uses the Total Estimated BGS Costs by Season from Table #15 for each of the BGS Supplier Periods to derive the tranche weighted average cost for June 1, 2019

through May 31, 2020 for each rate class, by season, usage block and on-peak versus off-peak as applicable.

Tables #C1, #C2 and #C3 are the costs for the three bid years along with the number of tranches that will be served from each respective bid year for the period June 1, 2019 through May 31, 2020.

Table #C4 (Composite Percent Load Weighted Costs) is the cost for each of the bid years multiplied by the respective number of tranches to be served in each bid year divided by the total number of tranches.

Table #C5 (Units @ Customer) This is the forecasted 2018 units at customer (metered usage without losses) by rate class, season, usage block and on-peak versus off-peak, as applicable.

Table #C6 (Summary of BGS Unit Costs @ customer) is the average cost per MWh for each rate class, season, usage block and on-peak versus off-peak (as applicable), based on the Composite Costs in Table #C4 divided by the units at customer in Table #C5 with a migration adjustment. The second part of Table #C6 takes the total Composite Cost from Table #C4 and divides it by the total wholesale MWh (2019/2020 BGS Supply Period, Table #3 adjusted by the loss factors in 2019/2020 BGS Supply Period, Table #6) to arrive at the All-In Average Costs at bulk system and the All-In Average Costs at transmission nodes.

Table #C7 (Ratio of BGS Unit Costs @ customer to All-In Average Cost @ transmission nodes) indicates the ratio of the individual rate element costs to the overall all-in cost as measured at the transmission nodes, both from Table #C6. These ratios are to be used to go from the bid price to the rate class-specific retail BGS rates effective June 1, 2019 through May 31, 2020. For all but

the RS service classification, the rate class specific energy, capacity and ancillary services rate will be the bid price times the ratio in Table #C7, less the transmission price from 2019/2020 BGS Supply Period, Table #12, the result of which is increased for sales and use tax. Customers will continue to be billed the current Tariff transmission rates. For the RS service classification, Table #C7 also provides constants (excluding sales and use taxes) to be applied to all RS Summer first and second block units (after applying the ratio in Table #C7) to achieve the prescribed first versus second block differential (per the bottom of Table #10) while maintaining the same overall revenue. Other than adjusting the price by this constant, all rates for the RS service classification are calculated as indicated above.

V. CONCLUSION

JCP&L hereby submits its Company Specific Addendum Compliance Filing to the Board pursuant to the Board's November 19, 2018 Order, and requests that the Board accept this Compliance Filing and thereby approve, as reasonable and prudent, the Company's proposals for (1) use of its Committed Supply; (2) a Contingency Plan; (3) Tariff sheets for Riders BGS-RSCP, BGS-CIEP, and CIEP - Standby Fee; and (4) BGS pricing.

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

XX Rev. Sheet No. 35
Superseding XX Rev. Sheet No. 35
Rider BGS-RSCP
Basic Generation Service – Residential Small Commercial Pricing
(Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED)

Effective June 1, 2015, Rider BGS-FP (Basic Generation Service – Fixed Pricing) is renamed Rider BGS-RSCP to comply with the BPU Order dated November 24, 2014 (Docket No. ER14040370).

AVAILABILITY: Rider BGS-RSCP is available to and provides Basic Generation Service (default service) charges applicable to all KWH usage for Full Service Customers taking service at secondary voltages under Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED, except for GS and GST customers that have a peak load share of 500 KW or greater as of November 1, 2018. Rider BGS-RSCP-eligible GS and GST customers may elect to take default service under Rider BGS-CIEP no later than the second business day in January of each year. Such election will be effective June 1 of that year and Rider BGS-CIEP will remain the customer's default service for the entire 12-month period from June 1 through May 31 of the following year. BGS-RSCP-eligible customers who have elected to take default service under BGS-CIEP may return to BGS-RSCP by notifying the Company no later than the second business day in January of each year. Such notification to return to BGS-RSCP will become effective June 1 of that year.

RATE PER BILLING MONTH: (For service rendered effective June 1, 2019 through May 31, 2020)

1) BGS Energy Charge per KWH: (All charges include Sales and Use Tax as provided in Rider SUT.)

<u>Service Classification</u>	<u>June through September</u>	<u>October through May</u>
RS - first 600 KWH	\$x.xxxxxx	
- all KWH over 600	\$x.xxxxxx	
- all KWH		\$x.xxxxxx
(Excludes off-peak and controlled water heating special provisions)		
RT - all on-peak KWH	\$x.xxxxxx	\$x.xxxxxx
- all off-peak KWH	\$x.xxxxxx	\$x.xxxxxx
RGT - all on-peak KWH	\$x.xxxxxx	
- all off-peak KWH	\$x.xxxxxx	
- all KWH		\$x.xxxxxx
RS and GS Water Heating – all KWH	\$x.xxxxxx	\$x.xxxxxx
(For separately metered off-peak and controlled water heating usage under applicable special provisions)		
GS - all KWH	\$x.xxxxxx	\$x.xxxxxx
(Excludes off-peak and controlled water heating special provisions)		
GST - all on-peak KWH	\$x.xxxxxx	\$x.xxxxxx
- all off-peak KWH	\$x.xxxxxx	\$x.xxxxxx
OL, SVL, MVL, ISL, LED - all KWH	\$x.xxxxxx	\$x.xxxxxx

BGS Energy Charges above reflect costs for energy, generation capacity, ancillary services and related cost.

Issued:

Effective: June 1, 2019

Filed pursuant to Order of Board of Public Utilities
Docket No. dated

Issued by James V. Fakult, President
300 Madison Avenue, Morristown, NJ 07962-1911

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

**XX Rev. Sheet No. 36
Superseding XX Rev. Sheet No. 36**

**Rider BGS-RSCP
Basic Generation Service – Residential Small Commercial Pricing
(Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED)**

2) BGS Transmission Charge per KWH: As provided in the respective tariff for Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED. Effective September 1, 2017, a RMR (BL England) surcharge of **\$0.000131** per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage. Effective January 1, 2018, a RMR (Yorktown) surcharge of **\$0.000011** per kWh (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage.

Effective **December 1, 2018**, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

PSEG-TEC surcharge of **\$0.002472** per KWH
VEPCO-TEC surcharge of **\$0.000167** per KWH
PATH-TEC surcharge of **(\$0.000082)** per KWH
TRAILCO-TEC surcharge of **\$0.000211** per KWH
Delmarva-TEC surcharge of **\$0.000001** per KWH
ACE-TEC surcharge of **\$0.000097** per KWH
PEPCO-TEC surcharge of **\$0.000014** per KWH
PPL-TEC surcharge of **\$0.000808** per KWH
AEP-East-TEC surcharge of **\$0.000071** per KWH
BG&E-TEC surcharge of **\$0.000016** per KWH
MAIT-TEC surcharge of **\$0.000032** per KWH
PECO-TEC surcharge of **\$0.000064** per KWH
EL05-121-TEC surcharge of **\$0.005884** per KWH

3) BGS Reconciliation Charge per KWH: **\$x.xxxxxx** (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

Issued:

Effective: June 1, 2019

**Filed pursuant to Order of Board of Public Utilities
Docket No. dated**

Issued by James V. Fakult, President
300 Madison Avenue, Morristown, NJ 07962-1911

Rider BGS-CIEP
Basic Generation Service – Commercial Industrial Energy Pricing
 (Applicable to Service Classifications GP and GT and
 Certain Customers under Service Classifications GS and GST)

AVAILABILITY: Rider BGS-CIEP is available to and provides Basic Generation Service (default service) charges applicable to all Full Service Customers taking service at primary and transmission voltages under Service Classifications GP and GT and any Full Service Customers taking service at secondary voltages under Service Classifications GS and GST that have a peak load share of 500 KW or greater as of November 1, 2018, or that have elected to take BGS-CIEP service no later than the second business day in January of each year. All BGS-CIEP customers remain subject to this Rider for the entire 12-month period from June 1 of any given year through May 31 of the following year.

RATE PER BILLING MONTH:

(For service rendered effective June 1, 2019 through May 31, 2020)

1) BGS Energy Charge per KWH: The sum of actual real-time PJM load weighted average Residual Metered Load Aggregate Locational Marginal Price for JCP&L Transmission Zone and ancillary services of \$0.00600 per KWH, times the Losses Multiplier provided below, times 1.06625 multiplier for Sales and Use Tax as provided in Rider SUT.

Losses Multiplier:	GT – High Tension Service	1.005
	GT	1.027
	GP	1.047
	GST	1.103
	GS	1.103

2) BGS Capacity Charge per KW of Generation Obligation: \$x.xxxxx per KW-day times BGS-CIEP customer's share of the capacity peak load assigned to the JCP&L Transmission Zone by the PJM Interconnection, L.L.C., as adjusted by PJM assigned capacity related factors, times 1.06625 multiplier for Sales and Use Tax as provided in Rider SUT.

3) BGS Transmission Charge per KWH: As provided in the respective tariff for Service Classifications GS, GST, GP and GT. Effective September 1, 2017, a RMR (BL England) surcharge will be added to the BGS Transmission Charge applicable to all KWH usage, as follows (includes Sales and Use Tax as provided in Rider SUT):

GT – High Tension Service	\$0.000119
GT	\$0.000122
GP	\$0.000124
GS and GST	\$0.000131

Effective January 1, 2018, a RMR (Yorktown) surcharge will be added to the BGS Transmission Charge applicable to all KWH usage, as follows (includes Sales and Use Tax as provided in Rider SUT):

GT – High Tension Service	\$0.000010
GT	\$0.000010
GP	\$0.000011
GS and GST	\$0.000011

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Rider BGS-CIEP
Basic Generation Service – Commercial Industrial Energy Pricing
 (Applicable to Service Classifications GP and GT and
 Certain Customers under Service Classifications GS and GST)

3) BGS Transmission Charge per KWH: (Continued)

Effective **December 1, 2018**, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	<u>PSEG-TEC</u>	<u>VEPCO-TEC</u>	<u>PATH-TEC</u>
GS and GST	\$0.002472	\$0.000167	(\$0.000082)
GP	\$0.001649	\$0.000112	(\$0.000054)
GT	\$0.001502	\$0.000101	(\$0.000050)
GT – High Tension Service	\$0.000371	\$0.000026	(\$0.000013)

	<u>TRAILCO-TEC</u>	<u>Delmarva-TEC</u>	<u>ACE-TEC</u>
GS and GST	\$0.000211	\$0.000001	\$0.000097
GP	\$0.000141	\$0.000000	\$0.000065
GT	\$0.000128	\$0.000000	\$0.000059
GT – High Tension Service	\$0.000032	\$0.000000	\$0.000015

	<u>PEPCO-TEC</u>	<u>PPL-TEC</u>	<u>AEP-East-TEC</u>
GS and GST	\$0.000014	\$0.000808	\$0.000071
GP	\$0.000010	\$0.000540	\$0.000048
GT	\$0.000009	\$0.000492	\$0.000044
GT – High Tension Service	\$0.000002	\$0.000122	\$0.000011

	<u>BG&E-TEC</u>	<u>MAIT-TEC</u>	<u>PECO-TEC</u>
GS and GST	\$0.000016	\$0.000032	\$0.000064
GP	\$0.000011	\$0.000021	\$0.000043
GT	\$0.000010	\$0.000019	\$0.000039
GT – High Tension Service	\$0.000002	\$0.000005	\$0.000010

	<u>EL05-121-TEC</u>
GS and GST	\$0.005884
GP	\$0.003926
GT	\$0.003577
GT – High Tension Service	\$0.000883

4) BGS Reconciliation Charge per KWH: \$x.xxxxxx (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

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 300 Madison Avenue, Morristown, NJ 07962-1911

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

**XX Rev. Sheet No. 39
Superseding XX Rev. Sheet No. 39**

**Rider CIEP – Standby Fee
Commercial Industrial Energy Pricing Standby Fee
(Applicable to Service Classifications GP and GT and
Certain Customers under Service Classifications GS and GST)**

Effective June 1, 2007, Rider DSSAC (Default Supply Service Availability Charge) is renamed Rider CIEP – Standby Fee to comply with the BPU Order dated December 22, 2006 (Docket No. EO06020119).

APPLICABILITY: Rider CIEP – Standby Fee provides a charge applicable to all KWH usage of all Full Service Customers or Delivery Service Customers taking service under Service Classifications GP and GT and any Full Service Customer or Delivery Service Customer taking service under Service Classifications GS and GST that has a peak load share of 500 KW or greater as of November 1, 2018, or that has elected to take Basic Generation Service-Commercial Industrial Energy Pricing under Rider-CIEP no later than the second business day in January of each year. This charge is applicable for service rendered from June 1, 2019 through May 31, 2020 to recover costs associated with administrating and maintaining the availability of the hourly-priced default Basic Generation Service for these customers.

CIEP – Standby Fee per KWH: \$0.000150

(\$0.000160 including Sales and Use Tax as provided in Rider SUT)

Issued:

Effective: June 1, 2019

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300 Madison Avenue, Morristown, NJ 07962-1911

Jersey Central Power & Light
Attachment 2
2019 BGS Auction Cost and Bid Factor Tables

2017/2018 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods

Table #1

% Usage During PJM On-Peak Period

Based on an average of 2015 through 2017 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays

	<i>Profile Meter Data</i> RT{1}	<i>Profile Meter Data</i> RS{2}	<i>Profile Meter Data</i> GS{3}	<i>Profile Meter Data</i> GST	<i>Other Analysis</i> OL/SL
<i>(data rounded to nearest .01 %)</i>					
January	47.88%	45.71%	54.46%	52.74%	31.25%
February	51.23%	48.40%	57.72%	55.74%	31.36%
March	51.68%	48.73%	60.43%	57.06%	29.68%
April	49.47%	47.61%	59.02%	56.71%	26.45%
May	48.33%	47.31%	58.01%	56.16%	24.87%
June	54.18%	53.71%	60.33%	59.84%	25.76%
July	50.59%	50.79%	56.89%	56.26%	23.57%
August	52.93%	53.07%	59.47%	58.60%	26.49%
September	49.07%	48.51%	58.66%	57.59%	27.06%
October	49.79%	47.91%	58.52%	57.27%	29.66%
November	48.97%	45.47%	57.68%	55.28%	32.32%
December	48.21%	45.96%	55.45%	53.35%	32.31%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

	<i>2018 Forecasted</i> <i>Calendar Month</i> <i>Sales</i> RT{1}	<i>N/A</i> RS{2}	<i>N/A</i> GS{3}	<i>2018 Forecasted</i> <i>Calendar Month</i> <i>Sales</i> GST	<i>N/A</i> OL/SL
<i>(data rounded to nearest .01 %)</i>					
January	35.84%	---	---	42.42%	---
February	35.41%	---	---	42.83%	---
March	34.73%	---	---	42.82%	---
April	34.68%	---	---	44.04%	---
May	36.66%	---	---	45.51%	---
June	39.93%	---	---	46.33%	---
July	41.59%	---	---	47.18%	---
August	41.59%	---	---	46.65%	---
September	40.03%	---	---	46.13%	---
October	36.68%	---	---	46.07%	---
November	35.18%	---	---	45.46%	---
December	35.59%	---	---	43.39%	---

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

**Jersey Central Power & Light
Attachment 2**

Table #3

Class Usage @ customer
calendar month sales forecasted for 2018
in MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
January	26,592	799,279	510,394	15,108	9,490	1,360,863
February	27,398	760,155	493,890	15,108	9,485	1,306,036
March	25,342	690,812	508,325	15,667	9,480	1,249,625
April	19,847	589,629	465,966	14,129	9,475	1,099,046
May	15,385	552,906	436,268	10,341	9,470	1,024,370
June	16,535	715,966	508,549	13,565	9,465	1,264,080
July	20,574	1,004,787	564,605	14,169	9,460	1,613,594
August	21,951	1,111,718	587,963	15,782	9,454	1,746,868
September	18,583	923,564	548,162	14,606	9,449	1,514,364
October	14,081	658,509	477,383	12,752	9,444	1,172,169
November	14,764	573,321	453,136	12,796	9,439	1,063,456
December	20,028	676,062	472,439	13,077	9,434	1,193,040
Total	241,080	9,058,708	6,027,080	167,099	113,545	15,607,512

Table #4

Forwards Prices - Energy Only @ bulk system
in \$/MWh

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	52.53	55.142	36.751	38.579
February	49.85	52.329	34.876	36.610
March	40.31	42.315	28.202	29.605
April	33.73	35.407	23.598	24.772
May	33.63	35.303	23.529	24.699
June	37.35	48.910	23.965	31.382
July	45.53	59.622	29.213	38.255
August	41.60	54.475	26.691	34.952
September	35.39	46.343	22.707	29.735
October	33.72	35.397	23.591	24.764
November	34.02	35.712	23.801	24.985
December	38.00	39.890	26.586	27.908

Table #5

Zone-Hub Basis Differential
Based on 3 Year Average

On-Peak	Off-Peak
104%	103%
104%	103%
104%	103%
104%	103%
95%	90%
95%	90%
95%	90%
95%	90%
104%	103%
104%	103%
104%	103%

Table #6

Losses

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Loss Factors =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factor =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors from Transmission Nodes =	9.6175%	9.6175%	9.6175%	9.6175%	9.6175%
Expansion Factor to Transmission Nodes =	1.10972	1.10972	1.10972	1.10972	1.10972

{4} The GS and GST units exclude the units associated with the 500 kW and above PLS accounts that will be required to take service under BGS-CIEP

Jersey Central Power & Light
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Table #7 **Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs		\$ 45.463	\$ 45.502	\$ 46.847	\$ 46.583	\$ 39.411	
	PJM on pk	\$ 56.191	\$ 56.322	\$ 55.867	\$ 55.771	\$ 55.555	
	PJM off pk	\$ 34.003	\$ 34.030	\$ 33.942	\$ 33.859	\$ 33.821	
Winter - all hrs		\$ 42.481	\$ 41.332	\$ 42.314	\$ 42.313	\$ 37.959	
	PJM on pk	\$ 50.241	\$ 49.287	\$ 48.497	\$ 48.860	\$ 48.648	
	PJM off pk	\$ 34.854	\$ 34.235	\$ 33.898	\$ 34.141	\$ 33.435	
Annual		\$ 43.441	\$ 43.061	\$ 43.976	\$ 43.798	\$ 38.442	
System Total	\$ 43.39						

Table #8 **Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer - all hrs		\$ 3,530	\$ 170,906	\$ 103,497	\$ 2,707	\$ 1,491	\$ 282,131
	PJM on pk	\$ 2,253	\$ 108,864	\$ 72,646	\$ 1,882	\$ 541	\$ 186,185
	PJM off pk	\$ 1,276	\$ 62,043	\$ 30,852	\$ 825	\$ 950	\$ 95,946
Winter - all hrs		\$ 6,943	\$ 219,168	\$ 161,548	\$ 4,611	\$ 2,874	\$ 395,144
	PJM on pk	\$ 4,070	\$ 123,219	\$ 106,741	\$ 2,956	\$ 1,095	\$ 238,082
	PJM off pk	\$ 2,873	\$ 95,949	\$ 54,807	\$ 1,655	\$ 1,779	\$ 157,062
Annual		\$ 10,473	\$ 390,074	\$ 265,045	\$ 7,319	\$ 4,365	\$ 677,276
System Total	\$ 677,276						

**Jersey Central Power & Light
Attachment 2**

Table #9 Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs		\$ 45.453	\$ 45.502	\$ 46.847	\$ 46.583	\$ 39.411
JCP&L On pk		\$ 59.122			\$ 58.474	
JCP&L Off pk		\$ 36.026			\$ 36.216	
Winter - all hrs		\$ 42.481	\$ 41.332	\$ 42.314	\$ 42.313	\$ 37.959
JCP&L On pk		\$ 52.274			\$ 50.800	
JCP&L Off pk		\$ 37.087			\$ 35.661	
Annual Average		\$ 43.441	\$ 43.061	\$ 43.976	\$ 43.798	\$ 38.442
System Average	\$ 43.39					

Table #10 Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2018; costs are market estimates
in MW

Gen Obl - MW		89.6	2,933.9	1,449.2	46.1	0.2	4,519.0
Trans Obl - MW	Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes						
# of Months and Days used in this analysis							
	# of summer days =	122		# of summer months =	4		
	# of winter days =	244		# of winter months =	8		
				total # months =	12		
Transmission charges will be based on Retail Tariff rates for the applicable rate schedules							
Generation Capacity cost		<u>Initial</u>	<u>Adjusted</u>				
	Summer	\$ 151.38	158.909 \$/MW/day	Summer Total	\$ 87,608,810		
	Winter	\$ 151.38	158.909 \$/MW/day	<u>Winter Total</u>	<u>\$ 175,217,621</u>		
				Annual Total	\$ 262,826,431		

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% usage
Block 1 (0-600 kWh/m)			52.35%
Block 2 (>600 kWh/m)			47.65%
Differential (Excl. SUT)	0.8652 ¢/kWh		

Table #11 Ancillary Services
Forecasted Ancillary Services Cost
Renewable Portfolio Standard Cost
forecasted overall annual average

	<u>Initial</u>	<u>Adjusted</u>
Forecasted Ancillary Services Cost	\$2.00	\$/MWh
Renewable Portfolio Standard Cost	\$8.57	\$/MWh
forecasted overall annual average	\$10.57	\$11.096 \$/MWh

Table #12 Summary of Obligation Costs Expressed as \$/MWh @ customer

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 3.842	\$ 4.627	\$ 4.615	\$ 3.690	\$ 3.508
Generation Obl \$/MWh - all months	\$ 21.614	\$ 18.837	\$ 13.985	\$ 16.035	\$ 0.092
Generation Obl \$/MWh - Summer - All Hours	\$ 22.370	\$ 15.143	\$ 12.717	\$	\$ 0.092
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 54.744			\$ 32.995	
Generation Obl \$/MWh - Winter - All Hours	\$ 21.254	\$ 21.453	\$ 14.718	\$	\$ 0.092
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 59.847			\$ 37.306	

**Jersey Central Power & Light
Attachment 2**

Table #13 **Summary of BGS Unit Costs @ customer**

NON-DEMAND RATES

*includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods
in \$/MWh*

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 84.08	\$ 77.68	\$ 76.58		\$ 55.42
JCP&L On pk	\$ 130.11			\$ 107.56	
JCP&L Off pk	\$ 52.27			\$ 52.31	
Block 1 (0-600 kWh/m)		\$ 73.55			
Block 2 (>600 kWh/m)		\$ 82.21			
Winter - all hrs	\$ 79.98	\$ 79.82	\$ 74.05		\$ 53.96
JCP&L On pk	\$ 128.37			\$ 104.20	
JCP&L Off pk	\$ 53.33			\$ 51.76	
Annual -all hrs	\$ 81.30	\$ 78.93	\$ 74.98	\$ 75.93	\$ 54.45

DEMAND RATES

*includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods
in \$/MWh*

JCP&L does not have a demand component in its BGS charges

**Jersey Central Power & Light
Attachment 2**

Table #14

**Units @ Customer
in kWh**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	1,764,142		2,209,279,000		37,828,000	
JCP&L On pk	31,007,842			27,069,178		
JCP&L Off pk	44,871,016			31,051,822		
Block 1 (0-600 kWh/m)		1,966,234,000				
Block 2 (>600 kWh/m)		1,789,801,000				
Winter - all hrs	3,609,561	5,302,673,000	3,817,801,000		75,717,000	
JCP&L On pk	56,758,897			47,882,798		
JCP&L Off pk	103,068,542			61,095,202		
Summer Total	77,643,000	3,756,035,000	2,209,279,000	58,121,000	37,828,000	6,138,906,000
Winter Total	163,437,000	5,302,673,000	3,817,801,000	108,978,000	75,717,000	9,468,606,000
Annual Total	241,080,000	9,058,708,000	6,027,080,000	167,099,000	113,545,000	15,607,512,000

Table #15

Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 148		\$ 169,196		\$ 2,096	
JCP&L On pk	\$ 4,035			\$ 2,912		
JCP&L Off pk	\$ 2,346			\$ 1,624		
Block 1 (0-600 kWh/m)		\$ 144,626				
Block 2 (>600 kWh/m)		\$ 147,134				
Winter - all hrs	\$ 289	\$ 423,243	\$ 282,721		\$ 4,086	
JCP&L On pk	\$ 7,286			\$ 4,989		
JCP&L Off pk	\$ 5,497			\$ 3,162		
Total Costs - in \$1000						
Summer	\$ 6,528	\$ 291,759	\$ 169,196	\$ 4,536	\$ 2,096	\$ 474,116
Winter	\$ 13,072	\$ 423,243	\$ 282,721	\$ 8,152	\$ 4,086	\$ 731,273
Total	\$ 19,600	\$ 715,003	\$ 451,916	\$ 12,688	\$ 6,182	\$ 1,205,389
% of Annual Total \$						
Summer	33%	41%	37%	36%	34%	39%
Winter	67%	59%	63%	64%	66%	61%

**Jersey Central Power & Light
Attachment 2**

Table #16 Customer & Bulk System Costs

Customer Costs Per Allocation Matrix

Grand Total Cost in \$1000 = \$ 1,205,389

Seasonal Units	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer	86,805	4,199,244	2,469,972	64,979	42,292	6,863,292
Winter	182,722	5,928,384	4,268,299	121,837	84,652	10,595,894
Supplier Payment in \$1000						
Post Transition Year 15 Bid price	Seasonal Factor	Price per MWH	Units	Payment		
Seasonally Adjusted Summer Payment	1.0000	69.080	6,863,292	\$ 474,116		
Seasonally Adjusted Winter Payment	1.0000	69.080	10,585,894	\$ 731,274		
Total Supplier Payment				\$ 1,205,390		

Table #17 Adjustment Factor Calculation

Allocated Customer Costs on a per MWh basis (on bulk system MWhs):	Seasonal Supplier Payment	Adjustment Factor Calculation	Adjustment Factor
Summer \$ 69.08 per MWh @ bulk system	69.08	1.0000	1.309507
Winter \$ 69.08 per MWh @ bulk system	69.08	1.0000	1.049733

Assumptions:

Generation Capacity Cost = \$ 158.91 per MW day Summer
 \$ 158.91 per MW day Winter
 Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
 Analysis time period = 4 summer months
 8 winter months
 Ancillary Services = \$ 11.10 per MWh
 Energy Costs = Based on Forwards prices @ PJM West corrected for hub-zone basis differential (both based on the figures used to derive the Bid Factors and establish retail rates in Post Transition Year 15 and adjusted to match the total cost at the actual supplier bid price.
 Usage patterns = forecasted 2018 energy use by class based upon PJM on/off % from 2015 through 2017 class load profiles
 JCP&L billing on/off % from 2018 forecasted billing determinants
 Obligations = class totals for 2018 excluding accounts required to take service under BGS-CIEP as of June 1, 2019
 Losses = Consistent with Losses as approved by the BPU
 PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
 JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
 GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
 The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.
 NJ Sales and Use Tax (SUT) = SUT excluded from all costs

Jersey Central Power & Light
Attachment 2
2019 BGS Auction Cost and Bid Factor Tables

2018/2019 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods

Table #1

% Usage During PJM On-Peak Period

Based on an average of 2015 through 2017 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays

	<i>Profile Meter Data</i>	<i>Profile Meter Data</i>	<i>Profile Meter Data</i>	<i>Profile Meter Data</i>	<i>Other Analysis</i>
	<i>RT{1}</i>	<i>RS{2}</i>	<i>GS{3}</i>	<i>GST</i>	<i>OL/SL</i>
<i>(data rounded to nearest .01 %)</i>					
January	47.88%	45.71%	54.46%	52.74%	31.25%
February	51.23%	48.40%	57.72%	55.74%	31.36%
March	51.68%	48.73%	60.43%	57.06%	29.68%
April	49.47%	47.61%	59.02%	56.71%	26.45%
May	48.33%	47.31%	58.01%	56.16%	24.87%
June	54.18%	53.71%	60.33%	59.84%	25.76%
July	50.59%	50.79%	56.89%	56.26%	23.57%
August	52.93%	53.07%	59.47%	58.60%	26.49%
September	49.07%	48.51%	58.86%	57.59%	27.06%
October	49.79%	47.91%	58.52%	57.27%	29.66%
November	48.97%	45.47%	57.68%	55.28%	32.32%
December	48.21%	45.96%	55.45%	53.35%	32.31%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

	<i>2018 Forecasted</i>			<i>2018 Forecasted</i>	
	<i>Calendar Month</i>	<i>N/A</i>	<i>N/A</i>	<i>Calendar Month</i>	<i>N/A</i>
	<i>Sales</i>			<i>Sales</i>	
	<i>RT{1}</i>	<i>RS{2}</i>	<i>GS{3}</i>	<i>GST</i>	<i>OL/SL</i>
<i>(data rounded to nearest .01 %)</i>					
January	35.84%	----	----	42.42%	----
February	35.41%	----	----	42.83%	----
March	34.73%	----	----	42.82%	----
April	34.68%	----	----	44.04%	----
May	36.66%	----	----	45.51%	----
June	39.93%	----	----	46.33%	----
July	41.59%	----	----	47.18%	----
August	41.59%	----	----	46.65%	----
September	40.03%	----	----	46.13%	----
October	36.68%	----	----	46.07%	----
November	35.18%	----	----	45.46%	----
December	35.59%	----	----	43.39%	----

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

**Jersey Central Power & Light
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Table #3 **Class Usage @ customer**
calendar month sales forecasted for 2018
in MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
January	26,592	799,279	510,394	15,108	9,490	1,360,863
February	27,398	760,155	493,890	15,108	9,485	1,306,036
March	25,342	690,812	508,325	15,667	9,480	1,249,626
April	19,847	589,629	465,966	14,129	9,475	1,099,046
May	15,385	552,906	436,268	10,341	9,470	1,024,370
June	16,535	715,966	508,549	13,565	9,465	1,264,080
July	20,574	1,004,787	564,605	14,168	9,460	1,613,594
August	21,951	1,111,718	587,963	15,782	9,454	1,746,868
September	18,583	923,564	548,162	14,606	9,449	1,514,384
October	14,081	658,509	477,383	12,752	9,444	1,172,169
November	14,764	573,321	453,136	12,796	9,439	1,063,456
December	20,028	678,062	472,439	13,077	9,434	1,193,040
Total	241,080	9,058,708	6,027,080	167,099	113,545	15,607,512

Table #4 **Forwards Prices - Energy Only @ bulk system**
in \$/MWh

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	48.230	50.959	36.146	38.191
February	46.020	48.624	34.490	36.442
March	36.970	39.062	27.707	29.275
April	32.630	34.476	24.455	25.839
May	32.000	33.811	23.983	25.340
June	34.360	48.629	22.251	31.492
July	38.950	55.125	25.224	35.699
August	36.000	50.950	23.313	32.995
September	34.440	48.743	22.303	31.565
October	32.420	34.255	24.297	25.672
November	32.430	34.265	24.305	25.680
December	36.580	38.650	27.415	28.966

Table #5 **Zone-Hub Basis Differential**
Based on 3 Year Average

On-Peak	Off-Peak
95%	94%
95%	94%
95%	94%
95%	94%
92%	86%
92%	86%
92%	86%
92%	86%
95%	94%
95%	94%
95%	94%

Table #6

Losses	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Loss Factors =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factor =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors from Transmission Nodes =	9.9325%	9.9325%	9.9325%	9.9325%	9.9325%
Expansion Factor to Transmission Nodes =	1.11028	1.11028	1.11028	1.11028	1.11028

{4} The GS and GST units exclude the units associated with the 500 kW and above PLS accounts that will be required to take service under BGS-CIEP

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Table #7 **Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs		\$ 42,468	\$ 42,471	\$ 43,886	\$ 43,667	\$ 36,898
	PJM on pk	\$ 52,587	\$ 52,655	\$ 52,456	\$ 52,396	\$ 52,311
	PJM off pk	\$ 31,657	\$ 31,674	\$ 31,625	\$ 31,580	\$ 31,562
Winter - all hrs		\$ 37,514	\$ 36,646	\$ 37,312	\$ 37,328	\$ 34,136
	PJM on pk	\$ 43,111	\$ 42,398	\$ 41,775	\$ 42,053	\$ 41,914
	PJM off pk	\$ 32,013	\$ 31,515	\$ 31,236	\$ 31,430	\$ 30,845
Annual		\$ 39,110	\$ 39,061	\$ 39,722	\$ 39,533	\$ 35,057
System Total	\$ 39.29					

Table #8 **Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer - all hrs		\$ 3,297	\$ 159,524	\$ 96,956	\$ 2,538	\$ 1,396	\$ 263,711
	PJM on pk	\$ 2,109	\$ 101,776	\$ 68,210	\$ 1,768	\$ 509	\$ 174,373
	PJM off pk	\$ 1,188	\$ 57,747	\$ 28,746	\$ 770	\$ 887	\$ 89,338
Winter - all hrs		\$ 6,131	\$ 194,323	\$ 142,449	\$ 4,068	\$ 2,585	\$ 349,556
	PJM on pk	\$ 3,493	\$ 105,996	\$ 91,947	\$ 2,544	\$ 944	\$ 204,924
	PJM off pk	\$ 2,639	\$ 88,326	\$ 50,503	\$ 1,524	\$ 1,641	\$ 144,632
Annual		\$ 9,429	\$ 353,846	\$ 239,405	\$ 6,606	\$ 3,980	\$ 613,267
System Total	\$ 613,267						

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Table #9

Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs		\$ 42.468	\$ 42.471	\$ 43.886	\$ 43.667	\$ 36.896
	JCP&L On pk	\$ 55.353			\$ 54.964	
	JCP&L Off pk	\$ 33.565			\$ 33.818	
Winter - all hrs		\$ 37.514	\$ 36.646	\$ 37.312	\$ 37.328	\$ 34.136
	JCP&L On pk	\$ 43.500			\$ 43.453	
	JCP&L Off pk	\$ 34.217			\$ 32.527	
Annual Average		\$ 39.110	\$ 39.061	\$ 39.722	\$ 39.533	\$ 35.057
System Average	\$ 39.29					

Table #10

Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2018; costs are market estimates
in MW

Gen Obl - MW		89.6	2,933.9	1,449.2	46.1	0.2	4,519.0
Trans Obl - MW	Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes						
# of Months and Days used in this analysis							
	# of summer days =	122		# of summer months =	4		
	# of winter days =	243		# of winter months =	8		
				total # months =	12		
Transmission charges will be based on Retail Tariff rates for the applicable rate schedules							
Generation Capacity cost		<u>Initial</u>	<u>Adjusted</u>				
	Summer	\$ 218.96	231.347 \$/MW/day	Summer Total	\$ 127,544,919		
	Winter	\$ 218.96	231.347 \$/MW/day	<u>Winter Total</u>	\$ 254,044,387		
				Annual Total	\$ 381,589,306		

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% usage
Block 1 (0-600 kWh/m)			52.35%
Block 2 (>600 kWh/m)			47.65%
Differential (Excl. SUT)	0.8652 \$/kWh		

Table #11

Ancillary Services

	<u>Initial</u>	<u>Adjusted</u>
Forecasted Ancillary Services Cost	\$2.00	
Renewable Portfolio Standard Cost	\$6.96	
forecasted overall annual average	\$8.96	9.467 \$/MWh

Table #12

Summary of Obligation Costs Expressed as \$/MWh @ customer

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 7.465	\$ 7.465	\$ 7.465	\$ 7.465	\$ -
Generation Obl \$/MWh - all months	\$ 31.380	\$ 27.349	\$ 20.304	\$ 23.281	\$ 0.134
Generation Obl \$/MWh - Summer - All Hours	\$ 32.567	\$ 22.046	\$ 18.514		\$ 0.134
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 79.698			\$ 48.036	
Generation Obl \$/MWh - Winter - All Hours	\$ 30.816	\$ 31.104	\$ 21.340		\$ 0.134
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 85.771			\$ 54.089	

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Table #13 **Summary of BGS Unit Costs @ customer**

NON-DEMAND RATES

*includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods
in \$/MWh*

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 93.08	\$ 82.57	\$ 80.45		\$ 47.62
JCP&L On pk	\$ 153.10			\$ 121.05	
JCP&L Off pk	\$ 51.61			\$ 51.87	
Block 1 (0-600 kWh/m)		\$ 78.44			
Block 2 (>600 kWh/m)		\$ 87.10			
Winter - all hrs	\$ 86.38	\$ 85.80	\$ 76.70		\$ 44.85
JCP&L On pk	\$ 148.32			\$ 115.59	
JCP&L Off pk	\$ 52.27			\$ 50.58	
Annual -all hrs	\$ 88.54	\$ 84.46	\$ 78.07	\$ 80.86	\$ 45.77

DEMAND RATES

*includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods
in \$/MWh*

JCP&L does not have a demand component in its BGS charges

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Table #14

**Units @ Customer
in kWh**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	1,764,142		2,209,279,000		37,828,000	
JCP&L On pk	31,007,842			27,069,178		
JCP&L Off pk	44,871,016			31,051,822		
Block 1 (0-600 kWh/m)		1,966,234,000				
Block 2 (>600 kWh/m)		1,789,801,000				
Winter - all hrs	3,609,581	5,302,673,000	3,817,801,000		75,717,000	
JCP&L On pk	56,758,897			47,882,798		
JCP&L Off pk	103,068,542			61,095,202		
						Total
Summer Total	77,643,000	3,756,035,000	2,209,279,000	58,121,000	37,828,000	6,138,906,000
Winter Total	163,437,000	5,302,673,000	3,817,801,000	108,978,000	75,717,000	9,468,606,000
Annual Total	241,080,000	9,058,708,000	6,027,080,000	167,099,000	113,545,000	15,607,512,000

Table #15

Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 164		\$ 177,735		\$ 1,801	
JCP&L On pk	\$ 4,747			\$ 3,277		
JCP&L Off pk	\$ 2,316			\$ 1,611		
Block 1 (0-600 kWh/m)		\$ 154,239				
Block 2 (>600 kWh/m)		\$ 155,885				
Winter - all hrs	\$ 312	\$ 454,967	\$ 292,829		\$ 3,396	
JCP&L On pk	\$ 8,419			\$ 5,535		
JCP&L Off pk	\$ 5,387			\$ 3,090		
Total Costs - in \$1000						
Summer	\$ 7,227	\$ 310,124	\$ 177,735	\$ 4,887	\$ 1,801	\$ 501,775
Winter	\$ 14,117	\$ 454,967	\$ 292,829	\$ 8,625	\$ 3,396	\$ 773,935
Total	\$ 21,345	\$ 765,091	\$ 470,564	\$ 13,512	\$ 5,197	\$ 1,275,710
% of Annual Total \$						
Summer	34%	41%	38%	36%	35%	39%
Winter	66%	59%	62%	64%	65%	61%

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Table #16 Customer & Bulk System Costs

Customer Costs Per Allocation Matrix

Grand Total Cost in \$1000 = \$ 1,275,710

Seasonal Units	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer	86,805	4,199,244	2,469,972	64,979	42,292	6,863,292
Winter	182,722	5,928,384	4,268,299	121,837	84,652	10,585,894
Supplier Payment in \$1000						
Post Transition Year 16 Bid price	Seasonal Price per MWh	Factor	Units	Payment		
Seasonally Adjusted Summer Payment	1.0000	73.110	6,863,292	\$ 501,775		
Seasonally Adjusted Winter Payment	1.0000	73.110	10,585,894	\$ 773,935		
Total Supplier Payment				\$ 1,275,710		

Table #17 Adjustment Factor Calculation

Allocated Customer Costs on a per MWh basis (on bulk system MWhs):	Seasonal Supplier Payment	Adjustment Factor Calculation	Adjustment Factor
Summer \$ 73.11 per MWh @ bulk system	73.11	1.0000	1.415268
Winter \$ 73.11 per MWh @ bulk system	73.11	1.0000	1.056586

Assumptions:

Generation Capacity Cost = \$ 231.35 per MW day Summer
 \$ 231.35 per MW day Winter
 Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
 Analysis time period = 4 summer months
 8 winter months
 Ancillary Services = \$ 9.47 per MWh
 Energy Costs = Based on Forwards prices @ PJM West corrected for hub-zone basis differential (both based on the figures used to derive the Bid Factors and establish retail rates in Post Transition Year 16 and adjusted to match the total cost at the actual supplier bid price.
 Usage patterns = forecasted 2018 energy use by class based upon PJM on/off % from 2015 through 2017 class load profiles
 JCP&L billing on/off % from 2018 forecasted billing determinants
 Obligations = class totals for 2018 excluding accounts required to take service under BGS-CIEP as of June 1, 2019
 Losses = Consistent with Losses as approved by the BPU
 PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
 JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
 GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
 The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.
 NJ Sales and Use Tax (SUT) = SUT excluded from all costs

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2019 BGS Auction Cost and Bid Factor Tables

2019/2020 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods

Table #1

% Usage During PJM On-Peak Period

Based on an average of 2015 through 2017 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays

	Profile Meter Data RT{1}	Profile Meter Data RS{2}	Profile Meter Data GS{3}	Profile Meter Data GST	Other Analysis OL/SL
(data rounded to nearest .01 %)					
January	47.88%	45.71%	54.46%	52.74%	31.25%
February	51.23%	48.40%	57.72%	55.74%	31.36%
March	51.68%	48.73%	60.43%	57.06%	29.68%
April	49.47%	47.61%	59.02%	56.71%	26.45%
May	48.33%	47.31%	58.01%	56.16%	24.87%
June	54.18%	53.71%	60.33%	59.84%	25.76%
July	50.59%	50.79%	56.89%	56.26%	23.57%
August	52.93%	53.07%	59.47%	58.60%	26.49%
September	49.07%	48.51%	58.86%	57.59%	27.06%
October	48.79%	47.91%	58.52%	57.27%	29.66%
November	48.97%	45.47%	57.68%	55.28%	32.32%
December	48.21%	45.96%	55.45%	53.35%	32.31%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

	2018 Forecasted Calendar Month Sales RT{1}	N/A RS{2}	N/A GS{3}	2018 Forecasted Calendar Month Sales GST	N/A OL/SL
(data rounded to nearest .01 %)					
January	35.84%	----	----	42.42%	----
February	35.41%	----	----	42.83%	----
March	34.73%	----	----	42.82%	----
April	34.68%	----	----	44.04%	----
May	36.66%	----	----	45.51%	----
June	39.93%	----	----	46.33%	----
July	41.59%	----	----	47.18%	----
August	41.59%	----	----	46.65%	----
September	40.03%	----	----	46.13%	----
October	36.68%	----	----	46.07%	----
November	35.18%	----	----	45.46%	----
December	35.59%	----	----	43.39%	----

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

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Table #3

Class Usage @ customer
calendar month sales forecasted for 2018
in MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
January	26,592	799,279	510,394	15,108	9,490	1,360,863
February	27,398	760,155	493,890	15,108	9,485	1,306,036
March	25,342	690,812	508,325	15,667	9,480	1,249,626
April	19,847	589,629	465,966	14,129	9,475	1,099,046
May	15,385	552,906	436,268	10,341	9,470	1,024,370
June	16,535	715,966	508,549	13,565	9,465	1,264,080
July	20,574	1,004,787	564,605	14,168	9,460	1,613,594
August	21,951	1,111,718	587,963	15,782	9,454	1,746,868
September	18,583	923,564	548,162	14,606	9,449	1,514,364
October	14,081	658,509	477,383	12,752	9,444	1,172,169
November	14,764	573,321	453,136	12,796	9,439	1,083,456
December	20,028	678,062	472,439	13,077	9,434	1,193,040
Total	241,080	9,058,708	6,027,080	167,099	113,545	15,607,512

Table #4

Forwards Prices - Energy Only @ bulk system
in \$/MWh

	On-Peak	Off/On Pk LMP ratio	Off-Peak
January	51.78	0.7792	40.349
February	48.72	0.7792	37.964
March	38.19	0.7792	29.759
April	34.25	0.7792	26.689
May	33.16	0.7792	25.839
June	34.13	0.6508	22.212
July	39.56	0.6508	25.746
August	36.56	0.6508	23.794
September	35.13	0.6508	22.863
October	33.98	0.7792	26.478
November	33.80	0.7792	26.338
December	36.00	0.7792	28.052

Table #5

Zone-Hub Basis Differential
Based on 3 Year Average

On-Peak	Off-Peak
90%	92%
90%	92%
90%	92%
90%	92%
90%	92%
94%	88%
94%	88%
94%	88%
94%	88%
90%	92%
90%	92%
90%	92%

Table #6

Losses	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Loss Factors @ Bulk =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factors @ Bulk =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors @ Transmission Node =	9.8737%	9.8737%	9.8737%	9.8737%	9.8737%
Expansion Factors @ Transmission Node =	1.10955	1.10955	1.10955	1.10955	1.10955

{4} The GS and GST units exclude the units associated with the 500 kW and above PLS accounts that will be required to take service under BGS-CIEP

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Table #7

Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs		\$ 31.056	\$ 31.076	\$ 32.047	\$ 31.888	\$ 27.099	
	PJM on pk	\$ 38.198	\$ 38.268	\$ 38.096	\$ 38.048	\$ 37.980	
	PJM off pk	\$ 23.426	\$ 23.450	\$ 23.393	\$ 23.359	\$ 23.332	
Winter - all hrs		\$ 36.174	\$ 35.366	\$ 35.732	\$ 35.818	\$ 33.319	
	PJM on pk	\$ 40.325	\$ 39.624	\$ 39.010	\$ 39.295	\$ 39.119	
	PJM off pk	\$ 32.094	\$ 31.567	\$ 31.270	\$ 31.479	\$ 30.865	
Annual		\$ 34.526	\$ 33.587	\$ 34.381	\$ 34.451	\$ 31.247	
System Total	\$ 33.90						

Table #8

Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer - all hrs		\$ 2,411	\$ 116,721	\$ 70,800	\$ 1,853	\$ 1,025	\$ 192,811
	PJM on pk	\$ 1,532	\$ 73,967	\$ 49,537	\$ 1,284	\$ 370	\$ 126,690
	PJM off pk	\$ 879	\$ 42,754	\$ 21,263	\$ 569	\$ 656	\$ 66,121
Winter - all hrs		\$ 5,912	\$ 187,532	\$ 136,418	\$ 3,903	\$ 2,523	\$ 336,289
	PJM on pk	\$ 3,267	\$ 99,061	\$ 85,862	\$ 2,377	\$ 881	\$ 191,448
	PJM off pk	\$ 2,645	\$ 88,471	\$ 50,556	\$ 1,526	\$ 1,642	\$ 144,841
Annual		\$ 8,324	\$ 304,253	\$ 207,218	\$ 5,757	\$ 3,548	\$ 529,100
System Total	\$ 529,100						

**Jersey Central Power & Light
Attachment 2**

Table #9 **Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs		\$ 31.056	\$ 31.076	\$ 32.047	\$ 31.888	\$ 27.099
	JCP&L On pk	\$ 40.150			\$ 39.861	
	JCP&L Off pk	\$ 24.773			\$ 24.939	
Winter - all hrs		\$ 36.174	\$ 35.366	\$ 35.732	\$ 35.818	\$ 33.319
	JCP&L On pk	\$ 44.089			\$ 40.325	
	JCP&L Off pk	\$ 31.816			\$ 32.286	
Annual Average		\$ 34.526	\$ 33.587	\$ 34.381	\$ 34.451	\$ 31.247
System Average	\$ 33.90					

Table #10 **Generation & Transmission Obligations and Costs and Other Adjustments**
obligations - annual average forecasted for 2018; costs are market estimates
in MW

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	BGS-RSCP TOTAL
Gen Obl - MW	89.6	2,933.9	1,449.2	46.1	0.2	4,519.0

Trans Obl - MW Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes
of Months and Days used in this analysis

# of summer days =	122	# of summer months =	4
# of winter days =	243	# of winter months =	8
		total # months =	12

Transmission charges will be based on Retail Tariff rates for the applicable rate schedules

Generation Capacity cost	Summer	\$ 115.68 \$/MWh/day	Summer Total	\$ 63,776,043
	Winter	\$ 115.68 \$/MWh/day	Winter Total	\$ 127,029,331
			Annual Total	\$ 190,805,374

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% usage
Block 1 (0-600 kWh/m)			52.35%
Block 2 (>600 kWh/m)			47.65%
Differential (Excl. SUT)	0.8652 ¢/kWh		

Table #11 **Ancillary Services**
Forecasted Ancillary Services Cost \$2.00 \$/MWh
Renewable Portfolio Standard Cost \$17.51 \$/MWh
Total Forecasted Ancillary Services & Renewable Power Costs \$19.51 \$/MWh

Table #12 **Summary of Obligation Costs Expressed as \$/MWh @ customer**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 7.465	\$ 7.465	\$ 7.465	\$ 7.465	\$ -
Generation Obl \$/MWh - all months	\$ 15.691	\$ 13.675	\$ 10.153	\$ 11.641	\$ 0.067
Generation Obl \$/MWh - Summer - All Hours	\$ 16.285	\$ 11.024	\$ 9.258		\$ 0.067
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 39.851			\$ 24.019	
Generation Obl \$/MWh - Winter - All Hours	\$ 15.409	\$ 15.553	\$ 10.671		\$ 0.067
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 43.388			\$ 27.046	

**Jersey Central Power & Light
Attachment 2**

Table #13 **Summary of BGS Unit Costs @ customer**

NON-DEMAND RATES

*includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods
in \$/MWh*

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 76.62	\$ 71.38	\$ 70.58		\$ 48.98
JCP&L On pk	\$ 109.28			\$ 93.16	
JCP&L Off pk	\$ 54.05			\$ 54.22	
Block 1 (0-600 kWh/m)		\$ 67.25			
Block 2 (>600 kWh/m)		\$ 75.91			
Winter - all hrs	\$ 80.86	\$ 80.20	\$ 75.68		\$ 55.20
JCP&L On pk	\$ 116.75			\$ 96.65	
JCP&L Off pk	\$ 61.09			\$ 61.56	
Annual -all hrs	\$ 79.49	\$ 76.54	\$ 73.81	\$ 75.37	\$ 53.13

DEMAND RATES

*includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods
in \$/MWh*

JCP&L does not have a demand component in its BGS charges

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Table #14

**Units @ Customer
in kWh**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	1,764,142		2,209,279,000		37,828,000	
JCP&L On pk	31,007,842			27,069,178		
JCP&L Off pk	44,871,016			31,051,822		
Block 1 (0-600 kWh/m)		1,966,234,000				
Block 2 (>600 kWh/m)		1,789,801,000				
Winter - all hrs	3,609,561	5,302,673,000	3,817,801,000		75,717,000	
JCP&L On pk	56,758,897			47,882,798		
JCP&L Off pk	103,068,542			61,095,202		
Summer Total	77,643,000	3,756,035,000	2,209,279,000	58,121,000	37,828,000	6,138,906,000
Winter Total	163,437,000	5,302,673,000	3,817,801,000	108,978,000	75,717,000	9,468,606,000
Annual Total	241,080,000	9,058,708,000	6,027,080,000	167,099,000	113,545,000	15,607,512,000

Table #15

Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 135		\$ 155,934		\$ 1,853	
JCP&L On pk	\$ 3,388			\$ 2,522		
JCP&L Off pk	\$ 2,425			\$ 1,684		
Block 1 (0-600 kWh/m)		\$ 132,237				
Block 2 (>600 kWh/m)		\$ 135,856				
Winter - all hrs	\$ 292	\$ 425,252	\$ 288,931		\$ 4,179	
JCP&L On pk	\$ 6,627			\$ 4,628		
JCP&L Off pk	\$ 6,297			\$ 3,761		
Total Costs - in \$1000						
Summer	\$ 5,949	\$ 268,093	\$ 155,934	\$ 4,205	\$ 1,853	\$ 436,034
Winter	\$ 13,215	\$ 425,252	\$ 288,931	\$ 8,389	\$ 4,179	\$ 739,967
Total	\$ 19,164	\$ 693,345	\$ 444,865	\$ 12,594	\$ 6,032	\$ 1,176,001
% of Annual Total \$						
Summer	31%	39%	35%	33%	31%	37%
Winter	69%	61%	65%	67%	69%	63%

**Jersey Central Power & Light
Attachment 2**

Table #16 & Table #17

Not Applicable to 2018/2019 BGS Supply Period

Table #18 Bulk System Costs

ALL RATES

Grand Total Cost in \$1000 = \$ 1,176,001
All-In Average costs @ bulk system = \$ 67.40 per MWh at bulk system (per bulk system metered MWh)

Table #19 Seasonal Payment Factors

If total \$ were split on a per MWh basis (on bulk nodes MWhs):		<u>Ratio to All-In Cost (rounded to 4 decimal places)</u>	
Summer	\$ 63.53 per MWh @ bulk system	Summer	0.9427
Winter	\$ 69.90 per MWh @ bulk system	Winter	1.0372
		<u>Ratio to All-In Cost (If Winter is greater than Summer)</u>	
		Summer	1.0000
		Winter	1.0000

Assumptions:

Generation Capacity Cost = \$ 115.68 per MW day Summer
 \$ 115.68 per MW day Winter
 Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
 Analysis time period = 4 summer months
 8 winter months
 Ancillary Services and Renewable Power Cost = \$ 19.51 per MWh
 Energy Costs = based on 6/18 to 5/19 Forwards @ PJM West corrected for hub-zone basis differential
 Usage patterns = forecasted 2018 energy use by class based upon PJM on/off % from 2015 through 2017 class load profiles
 JCP&L billing on/off % from 2018 forecasted billing determinants
 Obligations = class totals for 2018 excluding accounts required to take service under BGS-CIEP as of June 1, 2019
 Loss = Consistent with Losses as approved by the BPU
 PJM Marginal Losses = PJM's calculated mean value of hourly marginal loss factor
 PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC
 holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
 JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
 GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
 The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.
 NJ Sales and Use Tax (SUT) = SUT excluded from all costs

**Jersey Central Power & Light
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2019 BGS Auction Cost and Bid Factor Tables**

BGS-RSCP Composite Cost Allocation

Table #C1	Post Transition Year 15 Costs in \$1,000's	Size of Tranches = 15																	
Total Costs by Rate - in \$1000			RT{1}		RS{2}		GS{3}		GST {4}		OL/SL								
Summer - all hrs		\$	148			\$	169,196			\$	2,096								
	JCP&L On pk	\$	4,035						\$	2,912									
	JCP&L Off pk	\$	2,346						\$	1,624									
	Block 1 (0-600 kWh/m)			\$	144,626														
	Block 2 (>600 kWh/m)			\$	147,134														
Winter - all hrs		\$	289	\$	423,243	\$	282,721			\$	4,086								
	JCP&L On pk	\$	7,286						\$	4,989									
	JCP&L Off pk	\$	5,497						\$	3,162									
Total Costs - in \$1000																			
	Summer	\$	6,528	\$	291,759	\$	169,196	\$	4,536	\$	2,096	\$	474,116						
	Winter	\$	13,072	\$	423,243	\$	282,721	\$	8,152	\$	4,086	\$	731,273						
	Total	\$	19,600	\$	715,003	\$	451,916	\$	12,688	\$	6,182	\$	1,205,389						

Table #C2	Post Transition Year 16 Costs in \$1,000's	Size of Tranches = 20																	
Total Costs by Rate - in \$1000			RT{1}		RS{2}		GS{3}		GST {4}		OL/SL								
Summer - all hrs		\$	164			\$	177,735			\$	1,801								
	JCP&L On pk	\$	4,747						\$	3,277									
	JCP&L Off pk	\$	2,316						\$	1,611									
	Block 1 (0-600 kWh/m)			\$	154,239														
	Block 2 (>600 kWh/m)			\$	155,885														
Winter - all hrs		\$	312	\$	454,967	\$	292,829			\$	3,396								
	JCP&L On pk	\$	8,419						\$	5,535									
	JCP&L Off pk	\$	5,387						\$	3,090									
Total Costs - in \$1000																			
	Summer	\$	7,227	\$	310,124	\$	177,735	\$	4,887	\$	1,801	\$	501,775						
	Winter	\$	14,117	\$	454,967	\$	292,829	\$	8,625	\$	3,396	\$	773,935						
	Total	\$	21,345	\$	765,091	\$	470,564	\$	13,512	\$	5,197	\$	1,275,710						

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

{4} The GS and GST units exclude the units associated with the 500 kW and above PLS accounts that will be required to take service under BGS-CIEP

**Jersey Central Power & Light
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Table #C3	Post Transition Year 17 Costs in \$1,000's	Size of Tranches =		18							
Total Costs by Rate - in \$1000		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL					
Summer - all hrs		\$ 135		\$ 155,934		\$ 1,853					
	JCP&L On pk	\$ 3,388			\$ 2,522						
	JCP&L Off pk	\$ 2,425			\$ 1,684						
	Block 1 (0-600 kWh/m)		\$ 132,237								
	Block 2 (>600 kWh/m)		\$ 135,856								
Winter - all hrs		\$ 292	\$ 425,252	\$ 288,931		\$ 4,179					
	JCP&L On pk	\$ 6,627			\$ 4,628						
	JCP&L Off pk	\$ 6,297			\$ 3,761						
Total Costs - in \$1000											
	Summer	\$ 5,949	\$ 268,093	\$ 155,934	\$ 4,205	\$ 1,853	\$ 436,034				
	Winter	\$ 13,215	\$ 425,252	\$ 288,931	\$ 8,389	\$ 4,179	\$ 739,967				
	Total	\$ 19,164	\$ 693,345	\$ 444,865	\$ 12,594	\$ 6,032	\$ 1,176,001				

Table #C4	Composite (Tranche Weighted) Costs in \$1,000's										
Total Costs by Rate - in \$1000		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL					
Summer - all hrs		\$ 150		\$ 167,914		\$ 1,902					
	JCP&L On pk	\$ 4,084			\$ 2,917						
	JCP&L Off pk	\$ 2,361			\$ 1,639						
	Block 1 (0-600 kWh/m)		\$ 144,046								
	Block 2 (>600 kWh/m)		\$ 146,606								
Winter - all hrs		\$ 298	\$ 435,897	\$ 288,644		\$ 3,857					
	JCP&L On pk	\$ 7,490			\$ 5,072						
	JCP&L Off pk	\$ 5,727			\$ 3,338						
Total Costs - in \$1000											
	Summer	\$ 6,595	\$ 290,652	\$ 167,914	\$ 4,556	\$ 1,902	\$ 471,620				
	Winter	\$ 13,515	\$ 435,897	\$ 288,644	\$ 8,411	\$ 3,857	\$ 750,324				
	Total	\$ 20,111	\$ 726,549	\$ 456,558	\$ 12,967	\$ 5,760	\$ 1,221,944				

**Jersey Central Power & Light
Attachment 2**

Table #C5

Units @ Customer
Forecasted 2018 in kWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	1,764,142		2,209,279,000		37,828,000	
JCP&L On pk	31,007,842			27,069,178		
JCP&L Off pk	44,871,016			31,051,822		
Block 1 (0-600 kWh/m)		1,966,234,000				
Block 2 (>600 kWh/m)		1,789,801,000				
Winter - all hrs	3,609,561	5,302,673,000	3,817,801,000		75,717,000	
JCP&L On pk	56,758,897			47,882,798		
JCP&L Off pk	103,068,542			61,095,202		
Summer Total	77,643,000	3,756,035,000	2,209,279,000	58,121,000	37,828,000	6,138,906,000
Winter Total	<u>163,437,000</u>	<u>5,302,673,000</u>	<u>3,817,801,000</u>	<u>108,978,000</u>	<u>75,717,000</u>	<u>9,468,606,000</u>
Annual Total	241,080,000	9,058,708,000	6,027,080,000	167,099,000	113,545,000	15,607,512,000

Table #C6

Summary of BGS Unit Costs @ customer

NON-DEMAND RATES

*includes energy, Generation & Transmission obligations, and Ancillary Services - adjusted to billing time periods
in \$/MWh*

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	\$ 84.94		\$ 75.68		\$ 50.29	
JCP&L On pk	\$ 130.71			\$ 107.76		
JCP&L Off pk	\$ 52.23			\$ 52.79		
Block 1 (0-600 kWh/m)		\$ 72.69				
Block 2 (>600 kWh/m)		\$ 81.28				
Winter - all hrs	\$ 82.69	\$ 81.57	\$ 75.28		\$ 50.95	
JCP&L On pk	\$ 130.95			\$ 105.93		
JCP&L Off pk	\$ 55.14			\$ 54.64		
Annual -all hrs	\$ 82.78	\$ 79.58	\$ 75.43	\$ 77.60	\$ 50.73	

DEMAND RATES

*includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods
in \$/MWh*

JCP&L does not have a demand component in its BGS charges

ALL RATES

Grand Total Cost in \$1000 = \$ 1,221,944

All-In Average costs @ bulk system = \$ 70.03 per MWh at bulk system (per bulk system metered MWh)

All-In Average costs @ transmission nodes = \$ 70.56 per MWh at transmission nodes (per transmission nodes metered MWh)

**Jersey Central Power & Light
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Table #C7 **Ratio of BGS Unit Costs @ customer to All-In Average Cost @ transmission nodes (rounded to 3 decimal places)**

NON-DEMAND RATES

includes Energy, Generation & Transmission obligations, and Ancillary Services - adjusted to billing time periods

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	1.204	1.088	1.072		0.713
JCP&L On pk	1.852			1.527	
JCP&L Off pk	0.740			0.748	
Constant for Block 1 (0-600 kWh/m) usage (Excl. SUT)		(4.123)			
Constant for Block 2 (>600 kWh/m) usage (Excl. SUT)		4.529			
Winter - all hrs	1.172	1.156	1.067		0.722
JCP&L On pk	1.856			1.501	
JCP&L Off pk	0.782			0.774	
Annual - all hrs	1.173	1.128	1.069	1.100	0.719