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BOARD OF PUBLIC UTILITIES
November 5, 2019

**VIA OVERNIGHT DELIVERY AND
ELECTRONIC MAIL**

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

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company
Seeking Review and Approval of Its Deferred Balances Relating to, and an
Adjustment of, the Societal Benefits Charge Clause of Its Filed Tariff ("2018 SBC
Filing")

Stipulation of Settlement
Docket no. ER19030340

Dear Secretary Camacho-Welch:

Enclosed for filing please find a fully executed Stipulation of Settlement in the above-referenced matter. An original and ten (10) copies are enclosed for filing. This Stipulation of Settlement fully resolves this matter.

Respectfully submitted,

Joshua R. Eckert

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

Enclosures

cc: Service List

Case mgmt

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NOV 06 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

In the Matter of the Verified Petition of Jersey	:	
Central Power & Light Company Seeking	:	BPU Docket No. ER19030340
Review and Approval of Its Deferred Balances	:	
Relating to, and an Adjustment of, the Societal	:	
Benefits Charge Clause of Its Filed Tariff	:	STIPULATION OF
("2018 SBC Filing")	:	SETTLEMENT

APPEARANCES:

Joshua R. Eckert, Esq. (FirstEnergy Service Company), on behalf of Jersey Central Power & Light Company

Maria Novas-Ruiz, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel (Stefanie A. Brand, Esq., Director)

Renee Greenberg and Matko Ilic, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

This Stipulation of Settlement (the "Stipulation") is hereby made and executed as of the dates indicated below by and among the Petitioner, Jersey Central Power & Light Company ("JCP&L" or the "Company"), the Staff of the New Jersey Board of Public Utilities ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, the "Parties").

The Parties do hereby join in recommending that the New Jersey Board of Public Utilities ("Board" or "BPU") issue an Order approving the Stipulation without modification, based on the following terms:

BACKGROUND

On March 15, 2019, JCP&L filed with the Board a Verified Petition, including supporting schedules, seeking review and approval of the deferred balances accumulated as of December 31, 2018, with respect to certain components of its Societal Benefits Charge ("SBC") clause of its filed

Tariff. ("2018 SBC Filing"). More specifically, the 2018 SBC Filing sought review and approval of the deferred balances accumulated with respect to the Demand Side Factor ("DSF"), Uncollectible Account Charge ("UNC"), and Nuclear Decommissioning Costs ("NDC") components of the Company's SBC to the extent accumulated for each from January 1, 2018 through December 31, 2018.

At the time the 2018 SBC Filing was submitted, JCP&L had another petition pending, under Docket No. ER18101093, seeking review and approval of the deferred balances accumulated as of December 31, 2017 for the same components of the SBC clause in its Tariff (the "2017 SBC Filing"). In the 2018 SBC Filing, JCP&L explained that the cumulative impact of current rates on the deferred balances for Riders DSF and UNC during calendar years 2017 and 2018, along with the Company's application of the over-collection in those riders to an under-collected balance in the Company's Remediation Adjustment Clause ("RAC") at the end of 2018, resulted in only minimal differences between the projected amount needed to recover the Company's Clean Energy Program and uncollectible costs through current Board-approved rates. Accordingly, JCP&L proposed that the Board not implement the rate changes requested by the Company in its 2017 SBC Filing and instead maintain both riders at their current Board-approved rates as set forth in the Board's August 29, 2018 Order on the Company's 2016 SBC Filing in BPU Docket No. ER17080894. The 2018 SBC Filing also requested that the rate for Rider NDC remain unchanged at zero.

On July 10, 2019, the Board issued an Order in BPU Docket No. ER18101093 approving a Stipulation of Settlement filed by the parties in the 2017 SBC Filing proceeding ("July 10, 2019 Order"). The July 10, 2019 Order accepted the parties' request to maintain Riders UNC and DSF at the Board-approved rates set in the August 29, 2018 Order in BPU Docket No. ER17080894.

The July 10, 2019 Order further accepted the parties' request to maintain Rider NDC at the Board-approved rate of zero.

STIPULATION

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. The Parties agree that the Company's ending deferred balances in the components of the SBC listed below at December 31, 2018, were as follows: (i) an over-recovered DSF balance of \$7.535 million, including over-recovered carrying costs of \$260,495; and (ii) an over-recovered UNC balance of \$9.721 million, including over-recovered carrying costs of \$133,810. These over-recovered balances were used to reduce the under-recovered balance of the RAC component of the Company's SBC in accordance with the terms of the Company's Tariff. Consequently, both the DSF and UNC deferred balances, including interest, became zero after the annual application of such over-recoveries to the under-recovered RAC deferred balance. *See Attachments A-1, A-2, B-1, and B-2 to this Stipulation.*

2. The Parties further agree that the Company's Rider NDC is currently set at zero and shall remain at zero as a result of this Stipulation. *See Attachment A-3 to this Stipulation.*

3. The Parties agree that the Company's current Board-approved rates for Riders UNC and DSF, as set forth in the July 10, 2019 Order, shall remain in effect. The current rates for Riders UNC and DSF (exclusive of sales and use tax) are \$0.000352/kWh and \$0.003457/kWh, respectively. The Parties further agree that the Company's Board-approved rate for Rider NDC of zero, as set forth in the July 10, 2019 Order, shall remain unchanged as requested in the Company's Verified Petition.

4. The Parties further agree that, to the extent not otherwise recovered in rates, JCP&L shall be authorized to continue to defer all additional reasonable and prudent costs of a type

previously approved for recovery through Rider SBC, incurred and deferred subsequent to December 31, 2018, together with accrued interest thereon, for review and inclusion in future annual SBC filings and related adjustments to the Company's Rider SBC, subject to the Board's review and approval.

5. The Parties also agree that interest will accrue monthly on the net-of-tax deferred balances in the NDC, DSF, and UNC components of JCP&L's Rider SBC deferred balance at a rate equal to the monthly rate actually incurred on short-term debt, or in the event no short-term debt is outstanding, the rate available on equivalent temporary cash investments, with annual compounding on January 1 of each year.¹

6. The Parties agree that upon the effective date of the Board's written Order approving this Stipulation, all elements of the 2018 SBC Filing shall be deemed closed and resolved.

CONCLUSION

7. The Parties agree that this Stipulation contains mutual balancing and interdependent clauses and is intended to be accepted and approved in its entirety. In the event any particular provision of this Stipulation is not accepted and approved in its entirety by the Board, or is modified by a court of competent jurisdiction, then any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right, upon written notice to all other Parties within ten (10) days after receipt of any such adverse decision, to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board in an appropriate Order, or is modified by a court of competent jurisdiction, then any Party hereto is free, upon the timely provision of such written notice, to

¹ Pursuant to the Board's June 15, 2011 Order in BPU Docket No. ER07120968, as of January 1, 2012, interest on all elements of the SBC compounds annually on January 1.

pursue its then available legal remedies with respect to all issues addressed in this Stipulation, as though this Stipulation had not been signed. The Parties agree that this Stipulation shall be binding on them for all purposes herein.

8. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and, except as otherwise expressly provided for herein:

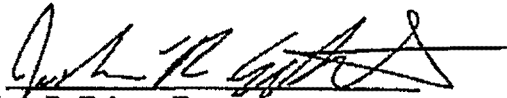
- a. By executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation, except where the terms of this Stipulation supersede such prior Stipulation; and
- b. The contents of this Stipulation shall not be considered, cited, or used by any of the undersigned Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Stipulation.

9. This Stipulation may be executed in any number of counterparts, each of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties.

WHEREFORE, the Parties hereto have duly executed and do respectfully submit this Stipulation to the Board, and recommend that the Board issue a Final Decision and Order adopting and approving this Stipulation in its entirety in accordance with the terms hereof.

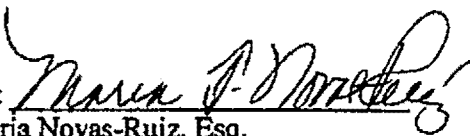
[SIGNATURES ON NEXT PAGE]

Jersey Central Power & Light Company

By: 
Joshua R. Eckert, Esq.
Counsel for Jersey Central Power & Light Company

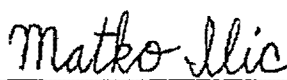
Dated: 11/4/19

Stefanie A. Brand, Esq.
Director, Division of Rate Counsel

By: 
Maria Novas-Ruiz, Esq.
Assistant Deputy Rate Counsel

Dated: 11/4/2019

Gurbir S. Grewal
Attorney General of New Jersey
Attorney for Staff of the Board of Public Utilities

By: 
Matko Ilic
Deputy Attorney General

Dated: 11/4/19

Jersey Central Power & Light Company
Societal Benefits Charge - Demand Side Factor ("SBC-DSF")
Summary of Deferred Clean Energy Program ("CEP") Costs & Interest
For the Period January 1, 2018 through December 31, 2018

Line No.	Jan.2018 through Dec.2018	Refer to Attachment B-1, P.2 of 2 Line No(s).
Computation of (Over) Recovery of Clean Energy Program Costs:		
1	Tariff Rider DSF Revenue Recovery	\$ (73,786,199.31) 1
2	BPU-mandated New Jersey Clean Energy Program Costs	68,450,583.01 4
3	(Over) Recovery of Clean Energy Program Costs for 2018 (L1 + L2)	<u>\$ (5,335,616.30)</u> 5
4	Cumulative (Over) Recovery of Clean Energy Program Costs at 1/1/2018	\$ (1,847,578.74) 6
5	Accrued Interest on Deferred Clean Energy Program Costs at 1/1/2018	(91,906.27) 7
6	Beginning Balance of Deferred CEP Costs Incl.Interest at 1/1/2018 (L4 + L5)	<u>\$ (1,939,485.01)</u> 8
7	Deferred Clean Energy Program Costs at 12/31/2018 (L3 + L6)	\$ (7,275,101.31) 10
8	Accrued Interest Income/(Expense)	(260,495.34) 21
9	(Over) Recovery of Clean Energy Program Costs for 2018 Incl.Interest (L7 + L8)	<u>\$ (7,535,596.65)</u> 25
10	Over Recovery of Clean Energy Program Costs Applied to Rider RAC at 12/31/2018	7,535,596.65 27
11	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2018 (L9 + L10)	<u>\$ -</u> 28
CALCULATION OF A PROPOSED (DECREASE) IN RIDER DSF Effective 1/1/2020		
Line No.	Amount	
12	Mandated Clean Energy Program Costs for the 12 Months Ended 12/31/2018	\$ 68,451,512.22 3
13	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2018 per Line 11	- 28
14	Total Recoverable New Jersey Clean Energy Program Costs	<u>\$ 68,451,512.22</u>
15	Forecasted Jurisdictional MWh Sales for the 12 Months Ended 12/31/2020	20,234,922
16	Proposed Tariff Rider DSF (\$ per kWh) before SUT (L14 ÷ L15)	<u>\$ 0.003383</u>
17	Current Rider DSF (\$ per kWh) before SUT	0.003457
18	Proposed (Decrease) in Rider DSF (\$ per kWh) before SUT (L16 - L17)	<u>\$ (0.000074)</u>
19	Proposed Rider DSF Revenue (Decrease) Effective 1/1/2020 (L15 x L18 x 1,000)	<u>\$ (1,497,384.23)</u>
Notes:		
1 Per the spending mandated in the BPU's Order in Docket No.QO17050464, dated June 30, 2017, for the period January 2018 through June 2018 and in Docket No.QO18040392, dated June 22, 2018, ("2018 Order") for the period July 2018 through December 2018.		
2 SBC over-recoveries are offset against other under-recovered SBC components at year-end in accordance with Tariff Rider SBC.		
3 Per the spending mandated in the BPU's "2018 Order" for the period January 2019 through June 2019 and in the BPU's Order in Docket No.QO19050644, dated June 21, 2019, for the period July 2019 through December 2019.		

Attachment A-2

Jersey Central Power & Light Company Societal Benefits Charge ("SBC-UNC") Summary of Deferred Uncollectible Accounts Expense and Interest For Period January 1, 2018 through December 31, 2018

Line No.	Jan-18 through Dec-18	Refer to Attachment B-2 Line No(s).
1 Total (Over)/Under-Recovered Uncollectible Accounts Expense at Jan.1, 2018	\$ (5,419,013.15)	4
2 Balance of Interest on Deferred Uncollectible Accounts Expense at Jan.1, 2018	(25,296.80)	10
3 Total (Over)/Under-Recovered Uncollectible Accounts Expense Including Interest at Jan.1, 2018	<u>\$ (5,444,309.95)</u>	4 + 10
4 Tariff Rider UNC Net Revenue Recovery	\$ (11,184,676.93)	1
5 Uncollectible Accounts Expense Incurred	<u>7,042,044.56</u>	2
6 (Over)/Under-Recovery of UNC Costs	\$ (4,142,632.37)	3
7 Interest Accrued (January 1, 2018 through December 31, 2018)	(\$133,809.53)	15
8 Over/(Under)-Recovery of UNC Costs and Related Interest Applied to SBC at Year-End	\$9,720,751.85	9 + 17
9 Under/(Over)-Recovered Balance of Uncollectible Accounts Expense Deferred at Dec.31, 2018	<u><u>\$ -</u></u>	18
<u>Calculation of Proposed (Decrease) to Tariff Rider UNC:</u>		
10 Balance of Deferred Uncollectible Accounts Expense at Dec 31, 2018	\$ -	Line 9 above.
11 Forecasted Annual Uncollectible Accounts Expense	6,640,533.29	
12 Total Proposed Uncollectible Accounts Expense (Line 10 + Line 11)	<u>\$ 6,640,533.29</u>	
13a Forecasted Jurisdictional MWh Sales for 1/1/2020 - 12/31/2020	20,234,922	
13b Less: Forecasted GT Provision D Sales for 1/1/2020 - 12/31/2020	(212,593)	
13 Forecasted Jurisdictional MWh Sales excl.GT Provision D Sales for 1/1/2020 - 12/31/2020	<u>20,022,329</u>	
14 Proposed Tariff Rider UNC (\$ per KWh) Before SUT (Line 12 / Line 13)	\$ 0.000332	
15 Current Tariff Rider UNC (\$ per KWh) Before SUT	\$ 0.000352	
16 Proposed Change to Tariff Rider UNC (\$ per KWh) Before SUT effective 1/1/2020	<u>\$ (0.000020)</u>	
17 Proposed Rider UNC Revenue (Decrease) Effective 4/1/2019 (Line 13 X Line 16)	<u><u>\$ (400,447.00)</u></u>	

Attachment A-3

**Societal Benefits Charge - Nuclear Decommissioning Costs ("SBC-NDC")
 Computation of JCP&L's TMI-2 Decommissioning Liability,
 Projected Trust Fund Balance & Annual Revenue Requirement
 as of December 31, 2018**

Line #	Computation of Trust Fund Shortage:	Amount
1	Balance Per Trust Statements at December 31, 2018	<u>\$ 227,945,000</u>
2	Assumed After-Tax Return on the Funding Annuity	<u>4.47%</u>
3	Assumed Inflation Rate	<u>2.78%</u>
4	JCP&L 25% TMI-2 Decommissioning Liability at January 1, 2037	\$ 515,135,000
5	Projected Trust Fund Balance at January 1, 2037	<u>500,816,000</u>
6	Trust Fund Shortage at January 1, 2037 (L4 - L5)	<u>\$ 14,319,000</u>
7	Present Value of Shortage at January 1, 2037	<u>\$ 8,741,000</u>
Calculation of Proposed Change in Rider NDC		Amount
8	Annual Revenue Requirement	<u>\$ 535,000</u>
9	Proposed Tariff Rider NDC (\$ per kWh) Before SUT	0.000000
10	Current Tariff Rider NDC (\$ per kWh) Before SUT	<u>0.000000</u>
11	No Change in Rider NDC (\$ per kWh) before SUT (L9 - L10)	<u>0.000000</u>

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2018 - December 31, 2018

Attachment B-1
Page 1 of 2

Line #	Calculation of (Over)/Under Recovery	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018
1	Rider DSF Revenues (Note 2)	\$ (6,733,533.74)	\$ (6,103,025.07)	\$ (5,329,035.31)	\$ (5,275,125.65)	\$ (5,077,211.31)	\$ (5,907,416.26)
Clean Energy Program Costs							
2	JCP&L Administered Clean Energy Program Costs	\$ 206,719.96	\$ 416,210.42	\$ 108,095.59	\$ 253,236.00	\$ 308,075.92	\$ 178,278.05
3	Payable to Fiscal Agent for Clean Energy Program	5,523,361.39	4,862,191.73	5,029,090.50	4,535,364.51	4,745,913.11	5,859,046.34
4	Total Clean Energy Program Costs (L2 + L3)	\$ 5,730,081.35	\$ 5,278,402.15	\$ 5,137,186.09	\$ 4,788,600.51	\$ 5,053,989.03	\$ 6,037,324.39
5	Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (1,003,452.39)	\$ (824,622.92)	\$ (191,849.22)	\$ (486,525.14)	\$ (23,222.28)	\$ 129,908.13
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest							
6	Beginning Balance - Deferred CEP Costs	\$ (1,847,578.74)	\$ (2,942,937.40)	\$ (3,767,560.32)	\$ (3,959,409.54)	\$ (4,445,934.68)	\$ (4,469,156.96)
7	Beginning Balance - Accrued Interest	(91,906.27)					
8	Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ (1,939,485.01)	\$ (2,942,937.40)	\$ (3,767,560.32)	\$ (3,959,409.54)	\$ (4,445,934.68)	\$ (4,469,156.96)
9	Rider DSF (Over)/Under Recovery (L5)	(1,003,452.39)	(824,622.92)	(191,849.22)	(486,525.14)	(23,222.28)	129,908.13
10	Ending Balance - Deferred CEP Costs (L8 + L9)	\$ (2,942,937.40)	\$ (3,767,560.32)	\$ (3,959,409.54)	\$ (4,445,934.68)	\$ (4,469,156.96)	\$ (4,339,248.83)
Calculation of Amount Due Fiscal Agent for the State of NJ							
11	Beginning Balance - (Payable to) Fiscal Agent	\$ (10,747,446.94)	\$ (11,183,220.44)	\$ (10,385,553.12)	\$ (9,891,282.23)	\$ (9,564,455.01)	\$ (9,281,277.62)
12	(Payable to) Fiscal Agent (-L2)	(5,523,361.39)	(4,862,191.73)	(5,029,090.50)	(4,535,364.51)	(4,745,913.11)	(5,859,046.34)
13	JCP&L Payments to Fiscal Agent	5,087,587.89	5,659,859.05	5,523,361.39	4,862,191.73	5,029,090.50	4,535,364.51
14	Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (11,183,220.44)	\$ (10,385,553.12)	\$ (9,891,282.23)	\$ (9,564,455.01)	\$ (9,281,277.62)	\$ (10,604,959.45)
15	Ending Deferred Balance Excluding Interest (L10 + L14)	\$ (14,126,157.84)	\$ (14,153,113.44)	\$ (13,850,691.77)	\$ (14,010,389.69)	\$ (13,750,434.58)	\$ (14,944,208.28)
Interest Calculation							
16	Average CEP Deferred Balance Before Taxes = (L8+L11+L15)/2	\$ (13,406,544.90)	\$ (14,139,635.64)	\$ (14,001,902.61)	\$ (13,930,540.73)	\$ (13,880,412.14)	\$ (14,347,321.43)
17	Accumulated Deferred Income Taxes (L16 x 28.11%)	(3,768,579.77)	(3,974,651.58)	(3,935,934.82)	(3,915,875.00)	(3,901,783.85)	(4,033,032.05)
18	Average After Tax Deferred CEP Balance (L16 - L17)	\$ (9,637,965.13)	\$ (10,164,984.06)	\$ (10,065,967.79)	\$ (10,014,665.73)	\$ (9,978,628.29)	\$ (10,314,289.38)
19	Multiply By: Interest Rate	1.7198%	1.6503%	2.4726%	2.6477%	2.2957%	2.2878%
20	Divided By: Months Per Year	12	12	12	12	12	12
21	Interest Income/(Expense) (L18 x L19/L20)	\$ (13,812.81)	\$ (13,979.39)	\$ (20,740.93)	\$ (22,096.53)	\$ (19,089.95)	\$ (19,664.19)
22	Beginning Balance - Accrued Interest Account	(91,906.27)	(13,812.81)	(27,792.20)	(48,533.13)	(70,629.66)	(89,719.61)
23	Prior Year Accrued Interest Added to Deferred Bal.at Jan. 1, 2018	91,906.27					
24	Ending Balance - Accrued Interest Account (L21 + L22 + L23)	\$ (13,812.81)	\$ (27,792.20)	\$ (48,533.13)	\$ (70,629.66)	\$ (89,719.61)	\$ (109,383.80)
25	End'g Deferred CEP/DSM Balances Including Interest (L10 + L24)	\$ (2,956,750.21)	\$ (3,795,352.52)	\$ (4,007,942.67)	\$ (4,516,564.34)	\$ (4,558,876.57)	\$ (4,448,632.63)
26	Over Recovery Applied to SBC (if any)						
27	SBC (Over) Recovery Applied to DSF (if any)						
28	End'g Dfd.CEP Bal.Incl.Int.& SBC (Over) Rcvry (L25+L26+L27)	\$ (2,956,750.21)	\$ (3,795,352.52)	\$ (4,007,942.67)	\$ (4,516,564.34)	\$ (4,558,876.57)	\$ (4,448,632.63)
29	Ending Dfd.CEP Bal.Incl.Int.& (Payable) to Fiscal Agent (L14 + L28)	\$ (14,139,970.65)	\$ (14,180,905.64)	\$ (13,899,224.90)	\$ (14,081,019.35)	\$ (13,840,154.19)	\$ (15,053,592.08)

Notes:

- 1 May include in the current month, retroactive adjustments actually recorded in subsequent months.
- 2 As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2018 - December 31, 2018

Attachment B-1
Page 2 of 2

Line #	Calculation of (Over)/Under Recovery	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	YTD 2018
1	Rider DSF Revenues (Note 2)	\$ (7,378,751.27)	\$ (7,882,922.46)	\$ (7,827,237.17)	\$ (5,811,910.41)	\$ (5,002,238.26)	\$ (5,457,792.40)	\$ (73,786,199.31)
Clean Energy Program Costs								
2	JCP&L Administered Clean Energy Program Costs	\$ 292,826.56	\$ 164,021.25	\$ 484,307.01	\$ 337,673.14	\$ 257,712.69	\$ 223,877.48	\$ 3,231,034.07
3	Payable to Fiscal Agent for Clean Energy Program	7,084,113.81	7,002,498.55	5,065,993.95	4,822,994.91	5,001,969.47	5,687,010.67	65,219,548.94
4	Total Clean Energy Program Costs (L2 + L3)	\$ 7,376,940.37	\$ 7,166,519.80	\$ 5,550,300.96	\$ 5,160,668.05	\$ 5,259,682.16	\$ 5,910,888.15	\$ 68,450,583.01
5	Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (1,810.90)	\$ (716,402.66)	\$ (2,276,936.21)	\$ (651,242.36)	\$ 257,443.90	\$ 453,095.75	\$ (5,335,616.30)
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest								
6	Beginning Balance - Deferred CEP Costs	\$ (4,339,248.83)	\$ (4,341,059.73)	\$ (5,057,462.39)	\$ (7,334,398.60)	\$ (7,985,640.96)	\$ (7,728,197.06)	\$ (1,847,578.74)
7	Beginning Balance - Accrued Interest							(91,906.27)
8	Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ (4,339,248.83)	\$ (4,341,059.73)	\$ (5,057,462.39)	\$ (7,334,398.60)	\$ (7,985,640.96)	\$ (7,728,197.06)	\$ (1,939,485.01)
9	Rider DSF (Over)/Under Recovery (L5)	(1,810.90)	(716,402.66)	(2,276,936.21)	(651,242.36)	257,443.90	453,095.75	(5,335,616.30)
10	Ending Balance - Deferred CEP Costs (L8 + L9)	\$ (4,341,059.73)	\$ (5,057,462.39)	\$ (7,334,398.60)	\$ (7,985,640.96)	\$ (7,728,197.06)	\$ (7,275,101.31)	\$ (7,275,101.31)
Calculation of Amount Due Fiscal Agent for the State of NJ								
11	Beginning Balance - (Payable to) Fiscal Agent	\$ (10,604,959.45)	\$ (12,943,160.15)	\$ (14,086,612.36)	\$ (12,068,492.50)	\$ (9,888,988.86)	\$ (9,824,964.38)	\$ (10,747,446.94)
12	(Payable to) Fiscal Agent (-L2)	(7,084,113.81)	(7,002,498.55)	(5,065,993.95)	(4,822,994.91)	(5,001,969.47)	(5,687,010.67)	(65,219,548.94)
13	JCP&L Payments to Fiscal Agent	4,745,913.11	5,859,046.34	7,084,113.81	7,002,498.55	5,065,993.95	4,822,994.91	65,278,015.74
14	Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (12,943,160.15)	\$ (14,086,612.36)	\$ (12,068,492.50)	\$ (9,888,988.86)	\$ (9,824,964.38)	\$ (10,688,980.14)	\$ (10,688,980.14)
15	Ending Deferred Balance Excluding Interest (L10 + L14)	\$ (17,264,219.88)	\$ (19,144,074.75)	\$ (19,402,891.10)	\$ (17,874,629.82)	\$ (17,553,161.44)	\$ (17,964,081.45)	\$ (17,964,081.45)
Interest Calculation								
16	Average CEP Deferred Balance Before Taxes = (L8+L11+L15)/2	\$ (16,114,214.08)	\$ (18,214,147.32)	\$ (19,273,482.93)	\$ (18,638,760.46)	\$ (17,713,895.63)	\$ (17,758,621.45)	
17	Accumulated Deferred Income Taxes (L16 x 28.11%)	(4,529,705.58)	(5,119,996.81)	(5,417,776.05)	(5,239,355.57)	(4,979,376.06)	(4,991,948.49)	
18	Average After Tax Deferred CEP Balance (L16 - L17)	\$ (11,584,508.50)	\$ (13,094,150.51)	\$ (13,855,706.88)	\$ (13,399,404.89)	\$ (12,734,519.57)	\$ (12,766,672.96)	
19	Multiply By: Interest Rate	2.4541%	2.2252%	2.2498%	2.2856%	2.3178%	2.5420%	
20	Divided By: Months Per Year	12	12	12	12	12	12	
21	Interest Income/(Expense) (L18 x L19/L20)	\$ (23,691.29)	\$ (24,280.92)	\$ (25,977.14)	\$ (25,521.40)	\$ (24,596.72)	\$ (27,044.07)	\$ (260,495.34)
22	Beginning Balance - Accrued Interest Account	(109,383.80)	(133,075.09)	(157,356.01)	(183,333.15)	(208,854.55)	(233,451.27)	(91,906.27)
23	Prior Year Accrued Interest Added to Deferred Bal. at Jan. 1, 2018							91,906.27
24	Ending Balance - Accrued Interest Account (L21 + L22 + L23)	\$ (133,075.09)	\$ (157,356.01)	\$ (183,333.15)	\$ (208,854.55)	\$ (233,451.27)	\$ (260,495.34)	\$ (260,495.34)
25	End'g Deferred CEP/DSM Balances Including Interest (L10 + L24)	\$ (4,474,134.82)	\$ (5,214,818.40)	\$ (7,517,731.75)	\$ (8,194,495.51)	\$ (7,961,648.33)	\$ (7,535,596.65)	\$ (7,535,596.65)
26	Over Recovery Applied to SBC (if any)						7,535,596.65	7,535,596.65
27	SBC (Over) Recovery Applied to DSF (if any)							-
28	End'g Dfd.CEP Bal.Incl.Int.& SBC (Over) Rcvry (L25+L26+L27)	\$ (4,474,134.82)	\$ (5,214,818.40)	\$ (7,517,731.75)	\$ (8,194,495.51)	\$ (7,961,648.33)	\$ -	\$ -
29	Ending Dfd.CEP Bal.Incl.Int.& (Payable) to Fiscal Agent (L14 + L28)	\$ (17,417,294.97)	\$ (19,301,430.76)	\$ (19,586,224.25)	\$ (18,083,484.37)	\$ (17,786,612.71)	\$ (10,688,980.14)	\$ (10,688,980.14)

Notes:

- May include in the current month, retroactive adjustments actually recorded in subsequent months.
- As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Calculation of Monthly Deferred Cost:							
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,133,479.37)	(\$1,026,959.29)	(\$896,709.60)	(\$887,633.13)	(\$854,336.19)	(\$1,007,441.88)
2	Uncollectible Accounts Expense	\$421,277.57	\$398,794.45	\$977,269.77	\$390,049.69	\$595,671.92	\$456,044.72
3	Amount (Over)/Under Recovered	(\$712,201.80)	(\$628,164.84)	\$80,560.17	(\$497,583.44)	(\$258,664.27)	(\$551,397.16)
Calculation of Interest on Deferred Balance:							
	Composite Tax Rate	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	(\$5,419,013.15)	(\$6,131,214.95)	(\$6,759,379.79)	(\$6,678,819.62)	(\$7,176,403.06)	(\$7,435,067.33)
5	Current Period Deferral	(712,201.80)	(628,164.84)	80,560.17	(497,583.44)	(258,664.27)	(551,397.16)
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$6,131,214.95)	(\$6,759,379.79)	(\$6,678,819.62)	(\$7,176,403.06)	(\$7,435,067.33)	(\$7,986,464.49)
7	Deferred Tax Balance at End of Month	(1,723,484.52)	(1,900,061.66)	(1,877,416.20)	(2,017,286.90)	(2,089,997.43)	(2,244,995.17)
8	Balance Net of Deferred Tax at End of Month	(\$4,407,730.43)	(\$4,859,318.13)	(\$4,801,403.42)	(\$5,159,116.16)	(\$5,345,069.90)	(\$5,741,469.32)
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC						
10	Accumulated Deferred Interest at December 31	\$ (25,296.80)	\$ (25,296.80)	\$ (25,296.80)	\$ (25,296.80)	\$ (25,296.80)	(\$25,296.80)
11	Deferred Tax at End of Year	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)
12	Interest Balance Net of Deferred Tax at End of Year	\$ (18,185.87)	\$ (18,185.87)	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)
13	Total Average Balance Beg & End of Month Net of Tax	(\$4,169,915.36)	(\$4,651,710.15)	(\$4,848,546.65)	(\$4,998,445.66)	(\$5,270,278.90)	(\$5,561,455.48)
14	Interest Rate	1.7198%	1.6503%	2.4726%	2.6477%	2.2957%	2.2878%
15	Total Interest on Deferred Balance	(\$5,976.18)	(\$6,397.26)	(\$9,990.43)	(\$11,028.65)	(\$10,082.48)	(\$10,602.91)
16	Cumulative Interest Ending Balance (L10 + L15)	\$ (31,272.98)	\$ (37,670.25)	\$ (47,660.68)	(\$58,689.33)	(\$68,771.81)	(\$79,374.72)
17	Application of net SBC Over-Recoveries per Tariff Rider SBC						
18	Reconciliation to Interest Ending Balance as Recorded	(\$31,272.98)	(\$37,670.25)	(\$47,660.68)	(\$58,689.33)	(\$68,771.81)	(\$79,374.72)

Notes:

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.		Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD
Calculation of Monthly Deferred Cost:								
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,254,950.81)	(\$1,326,443.31)	(\$1,137,217.33)	(\$604,050.65)	(\$500,062.74)	(\$555,392.63)	\$ (11,184,676.93)
2	Uncollectible Accounts Expense	\$399,693.13	\$706,492.39	\$484,926.76	\$737,187.72	\$1,009,166.78	\$ 465,469.66	\$7,042,044.56
3	Amount (Over)/Under Recovered	(\$855,257.68)	(\$619,950.92)	(\$652,290.57)	\$133,137.07	\$509,104.04	(\$89,922.97)	(\$4,142,632.37)
Calculation of Interest on Deferred Balance:								
	Composite Tax Rate	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%	
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	(\$7,986,464.49)	(\$8,841,722.17)	(\$9,461,673.09)	(\$10,113,963.66)	(\$9,980,826.59)	(\$9,471,722.55)	(\$5,419,013.15)
5	Current Period Deferral	(855,257.68)	(619,950.92)	(652,290.57)	133,137.07	509,104.04	(89,922.97)	
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$8,841,722.17)	(\$9,461,673.09)	(\$10,113,963.66)	(\$9,980,826.59)	(\$9,471,722.55)	(\$9,561,645.52)	(\$9,561,645.52)
7	Deferred Tax Balance at End of Month	(2,485,408.10)	(2,659,676.31)	(2,843,035.18)	(2,805,610.35)	(2,662,501.21)	(2,687,778.56)	
8	Balance Net of Deferred Tax at End of Month	(\$6,356,314.07)	(\$6,801,996.78)	(\$7,270,928.48)	(\$7,175,216.24)	(\$6,809,221.34)	(\$6,873,866.96)	
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC							9,561,645.52
								<u>\$0.00</u>
10	Accumulated Deferred Interest at December 31	(\$25,296.80)	(\$25,296.80)	(\$25,296.80)	(\$25,296.80)	(\$25,296.80)	(\$25,296.80)	(\$25,296.80)
11	Deferred Tax at End of Year	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)	(7,110.93)	
12	Interest Balance Net of Deferred Tax at End of Year	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)	(\$18,185.87)	
13	Total Average Balance Beg & End of Month Net of Tax	(\$6,067,077.56)	(\$6,597,341.30)	(\$7,054,648.50)	(\$7,241,258.22)	(\$7,010,404.66)	(\$6,859,730.02)	
14	Interest Rate	2.4541%	2.2252%	2.2498%	2.2856%	2.3178%	2.5420%	
15	Total Interest on Deferred Balance	(\$12,407.68)	(\$12,233.67)	(\$13,226.29)	(\$13,792.18)	(\$13,540.60)	(\$14,531.19)	(133,809.53)
16	Cumulative Interest Ending Balance (L10 + L15)	(\$91,782.40)	(\$104,016.07)	(\$117,242.36)	(\$131,034.54)	(\$144,575.14)	(\$159,106.33)	(\$159,106.33)
17	Application of net SBC Over-Recoveries per Tariff Rider SBC							159,106.33
18	Reconciliation to Interest Ending Balance as Recorded	(\$91,782.40)	(\$104,016.07)	(\$117,242.36)	(\$131,034.54)	(\$144,575.14)	(\$159,106.33)	\$0.00

Notes:

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

**In the Matter of the Verified Petition of Jersey Central Power & Light Company ("JCP&L")
Seeking Review and Approval of Its Deferred Balances Relating to, and an Adjustment of, the
Societal Benefits Charge ("SBC") Clause of Its Filed Tariff
("2018 SBC Filing")
Docket No. ER19030340**

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**In the Matter of the Verified Petition of Jersey Central Power & Light Company ("JCP&L")
Seeking Review and Approval of Its Deferred Balances Relating to, and an Adjustment of, the
Societal Benefits Charge ("SBC") Clause of Its Filed Tariff
("2018 SBC Filing")
Docket No. ER19030340**

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