



Agenda Date: 8/16/23  
Agenda Item: IIA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF ) ORDER FURTHER  
JERSEY CENTRAL POWER & LIGHT COMPANY FOR ) SUSPENDING INCREASES,  
REVIEW AND APPROVAL OF INCREASES IN, AND ) CHANGES OR ALTERATIONS  
OTHER ADJUSTMENTS TO, ITS RATES AND ) IN RATES FOR SERVICE  
CHARGES FOR ELECTRIC SERVICE, AND FOR )  
APPROVAL OF OTHER PROPOSED TARIFF )  
REVISIONS IN CONNECTIONS THEREWITH (“JCP&L ) DOCKET NO. ER23030144  
2023 BASE RATE FILING”) ) OAL DOCKET NO. PUC 3346-23

**Parties of Record:**

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel  
**Gregory Eisenstark, Esq.**, Cozen O’Connor, on behalf of Jersey Central Power & Light Company  
**Murray E. Bevan, Esq., Mosca & Guiditta**, on behalf of Commercials Metal Company  
**Barry A. Naum, Esq., Spilman Thomas & Battle, PLLC**, on behalf of Walmart, Inc.  
**Steven S. Goldenberg, Esq., Giordano, Halleran & Ciesla**, on behalf of New Jersey Large Energy User Coalition  
**John J. McNutt, Esq.**, on behalf of the United States Department of Defense and all other Federal Executive Agencies

BY THE BOARD:

**BACKGROUND AND PROCEDURAL HISTORY**

On March 16, 2023, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, Jersey Central Power & Light Company (“JCP&L” or “Company”), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities (“Board”), filed a petition for approval of an increase in its current base rate for electric service of approximately \$184.95 million, excluding Sales and Use Tax, to be effective for electric service provided on and after April 26, 2023 (“Petition”).

In the Petition, the Company noted that its current electric distribution rates are not just and reasonable because they do not produce an adequate, reasonable return on the Company’s invested capital dedicated to the service of the Company’s electric distribution customers, and do not provide sufficient revenues to recover the Company’s investment in rate base, operating expenses and financing costs.

By the Petition, JCP&L also proposed:

1. A return on equity of 10.40%;
2. Recovery of the increased amount of its deferred storm balance;
3. Cost recovery associated with its investments and expenses in implementation of its advanced metering infrastructure and electric vehicle programs;
4. Certain modifications to its tariff, including: a phase-out of its Sodium Vapor Street Lighting tariff and a service offering addition to its light-emitting diode Street Lighting tariff;
5. Two (2) additional Low-Income Assistance Initiatives;
6. A Pension/Other Post Employee Benefits Normalization Mechanism; and
7. Modification of its depreciation rates.

By Order dated April 12, 2023, the Board suspended the proposed rate increase until August 26, 2023, and on April 19, 2023, the Board transmitted the matter to the Office of Administrative Law (“OAL”) as a contested case, assigned to Administrative Law Judge Irene Jones (“ALJ Jones”).<sup>1</sup>

On June 2, 2023, JCP&L updated its Petition to include nine (9) months of actual data and three (3) months of estimated data. The requested increase was modified to approximately \$192.90 million excluding SUT.

On June 14, 2023, ALJ Jones issued an order granting intervenor status to Walmart and Commercial Metals Company. New Jersey Large Energy User Coalition was granted intervenor status subject to it providing the petitioner with a list of companies/customers represented by NJLEUC. Additionally, ALJ Jones issued an order granting participant status to Public Service Electric & Gas Company.

By email dated, July 10, 2023, ALJ Jones granted intervenor status to the United States Department of Defense and other Federal Executive Agencies and granted participant status to Atlantic City Electric Company.

On August 7, 2023, JCP&L updated its Petition to include twelve (12) months of actual data and zero (0) months of estimated data. The requested decrease was modified to approximately \$192.25 million excluding SUT.

## **DISCUSSION AND FINDINGS**

As review of this matter will not be complete on or before August 26, 2023, and the proposed revisions, if approved, will increase existing rates and change or alter existing classifications in the Company's tariff, the Board **HEREBY ORDERS** that:

- (1) Pursuant to N.J.S.A. 48:2-21(d), and consistent with N.J.A.C. 14:1-5.12, the proposed revisions be suspended until December 26, 2023, unless the Board makes a determination disposing of the Petition or enters an Order further suspending the proposed revisions prior to that date;

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<sup>1</sup> In re the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in, and Other Adjustments to, Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connections Therewith (“JCP&L 2023 Base Rate Filing”), Order Suspending Increases, Changes or Alterations in Rates for Service, BPU Docket No. ER23030144, Order dated April 12, 2023.

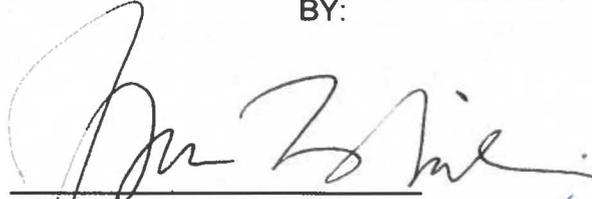
(2) JCP&L shall, at least 10 days prior to the date set for hearing on the Petition by the OAL, file with the Board and the OAL, proof of compliance with the N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c) notice provisions, which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and

(3) JCP&L shall serve copies of this Order upon the OAL, the New Jersey Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625), the clerk of each affected municipality, the clerk of the Boards of County Commissioners of each affected county, and, where appropriate, the executive officer of the affected county within its service area. Service of the Petition, notice of hearings, and this Order may be made simultaneously. Proof of Service of this Order shall be filed with the Board.

The Order shall be effective on August 23, 2023.

DATED: August 16, 2023

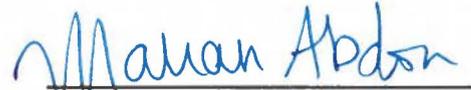
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CHRISTINE GUHL-SADOVY  
COMMISSIONER

  
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MARIAN ABDOU  
COMMISSIONER

ATTEST:   
\_\_\_\_\_  
SHERRI L. GOLDEN  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE VERIFIED PETITION OF JERSEY CENTRAL POWER & LIGHT COMPANY FOR THE APPROVAL OF INCREASES IN, AND OTHER ADJUSTMENT TO, ITS RATES AND CHARGES FOR ELECTRIC SERVICE, AND FOR APPROVAL OF OTHER PROPOSED TARIFF REVISIONS IN CONNECTIONS THEREWITH (“JCP&L 2023 BASE RATE FILING”)

BPU DOCKET NO. ER23030144  
OAL DOCKET NO. PUC 3346-23

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