



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</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 )  
JERSEY CENTRAL POWER & LIGHT COMPANY )  
CONSTITUTING ITS ANNUAL FILING WITH )  
RESPECT TO THE STORM RECOVERY CHARGE )  
RIDER OF ITS FILED TARIFF (“FINAL 2019 SRC )  
FILING”) )  
DECISION AND ORDER  
APPROVING STIPULATION  
  
BPU DOCKET NO. ER20010089

**Parties of Record:**

**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel  
**Joshua Eckert, Esq.**, on behalf of Jersey Central Power and Light Company

BY THE BOARD:

On January 31, 2020, Jersey Central Power and Light Company (“JCP&L” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting review and approval of the amounts included in the Company’s Storm Recovery Charge (“SRC”) deferred balance relating to the recovery of Board-approved 2012 Major Storm deferred operations and maintenance (“O&M”) costs, to the extent accumulated from April 1, 2019 through December 31, 2019 (“January 2020 Petition”).<sup>1</sup> By this Order, the Board considers a Stipulation of Settlement (“Stipulation”) executed by JCP&L, Board Staff (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”) intended to resolve the Company’s requests related to the above docketed matter.

**BACKGROUND**

In the March 2013 Order, the Board established a generic proceeding to review the prudence of costs incurred by New Jersey utilities in response to the multiple major storm events of 2011 and 2012 (“Storm Cost Proceeding”). On June 23, 2013, JCP&L filed a petition in Docket No. EO13050391, with supporting testimony, schedules, and exhibits pursuant to the March 2013 Order, seeking approval to recover, through base rates, all costs it incurred associated with the

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<sup>1</sup> A Major Storm event is defined as sustained impact on or interruption of utility service resulting from conditions beyond the control of the utility that affect at least ten percent (10%) of the customers in an operating area. See In re the Board’s Establishment of a Generic Proceeding to Review the Prudence of Costs Incurred by New Jersey Utilities in Response to Major Storm Events in 2011 and 2012, BPU Docket No. AX13030196, Order dated March 20, 2013, (“March 2013 Order”).

2011 Major Storms (Hurricane Irene and the October snow storm), and the 2012 Major Storms (Super Storm Sandy and the November 2012 Nor'easter).

By Order dated March 19, 2014, the Board approved the amount of the 2011 and 2012 Major Storm Costs that could be recovered from ratepayers.<sup>2</sup> The March 2014 Order returned the 2011 Major Storm Costs to the then-pending JCP&L Base Rate case in Docket No. ER12111052 with the exact manner of recovery to be decided within the base rate case. (March 2014 Order at 5). The March 2014 Order also adopted a briefing schedule proposed by the parties for a determination of the mechanism for recovery of the 2012 Major Storm Costs.<sup>3</sup> (ibid.)

By Order dated March 26, 2015, the Board ordered that the 2012 Major Storm capital costs, specifically \$333,184,830, be incorporated into the base rates established in the then-pending base rate case.<sup>4</sup> The Storm Cost Order also directed that the O&M expenses, specifically \$247,003,027, should be recovered on a per kilowatt hour ("kWh") basis, amortized over a six (6) year period through a new clause, the SRC, to be true-up annually and provided that the SRC rate shall include carrying costs on the unamortized balance of the deferred O&M costs associated with the 2012 major storm events. (Storm Cost Order at 8). The carrying costs were to be calculated on a monthly basis at an interest rate equal to the rate on seven (7)-year constant maturity Treasuries, as shown in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty basis points, compounded annually. JCP&L was required to file its annual cost true-up petition by January 15<sup>th</sup> of each year, with rates proposed to be effective April 1 of the filing year. (ibid.) The initial SRC rate of \$0.002125 per kWh [\$0.002274 including Sales and Use Tax ("SUT")] was implemented on April 1, 2015.

On January 15, 2016, JCP&L filed a petition to reconcile its SRC rate for the 2015-2016 period ("2015-2016 SRC Petition"). In November 2016, JCP&L filed an amendment to the 2015-2016 SRC Petition ("Amendment"). The genesis of the Amendment was a settlement term in the Company's then-pending base rate case in Docket No. ER16040383. In the Amendment, JCP&L requested authorization to accelerate the amortization of the 2012 Major Storm expenses to be recovered via the SRC to achieve full recovery by December 31, 2019. This would improve JCP&L's Funds from Operations to Debt credit metric, and strengthen the Company's overall credit profile. As a result of the Amendment, JCP&L proposed to increase its Rider SRC rate of \$0.002125 per kWh (excluding SUT) to \$0.003084 per kWh (excluding SUT). By Order dated January 25, 2017, the Board approved a stipulation, which approved the Amendment and the updated Rider SRC rate of \$0.003084 per kWh (excluding SUT).<sup>5</sup>

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<sup>2</sup> In re the Board's Establishment of a Generic Proceeding to Review the Prudency of Costs Incurred by New Jersey Utilities in Response to Major Storm Events in 2011 and 2012 and In re the Board's Review of the Prudency of the Costs Incurred by Jersey Central Power and Light Company in Response to Major Storm Events of 2011 and 2012, BPU Docket Nos. AX13030196 and EO13050391, Order dated March 19, 2014 ("March 2014 Order").

<sup>3</sup> The March 2014 Order approved the following costs to be recovered by ratepayers: 1) 2011 capital costs of \$74,007,396 and 2011 O&M costs of \$81,912,314; and 2) 2012 capital costs of \$333,184,830 and 2012 O&M costs of \$247,033,027.

<sup>4</sup> In re the Board's Establishment of a Generic Proceeding to Review the Prudency of Costs Incurred by New Jersey Utilities in Response to Major Storm Events in 2011 and 2012 and In re the Board's Review of the Prudency of the Costs Incurred by Jersey Central Power and Light Company in Response to Major Storm Events of 2011 and 2012, BPU Docket Nos. AX13030196 and EO13050391, Order dated March 26, 2015 ("Storm Cost Order").

<sup>5</sup> In re the Verified Petition of Jersey Central Power and Light Company Constituting its Annual Filing with Respect to the Storm Recovery Charge Rider of its Filed Tariff ("SRC Filing") BPU Docket No. ER16010044, Order dated January 25, 2017.

On January 17, 2017, JCP&L filed a petition to reconcile its SRC for the 2016-2017 period (“2016-2017 SRC Petition”). By Order<sup>6</sup> dated December 19, 2017, the Board approved a stipulation granting JCP&L’s request in the 2016-2017 SRC Petition to continue the SRC rate of \$0.003084 (excluding SUT).

On January 12, 2018, JCP&L filed a petition to reconcile its SRC for the 2017-2018 period (“2017-2018 SRC Petition”). By Order dated August 29, 2018, the Board approved a stipulation granting JCP&L’s request in the 2017-2018 SRC Petition to continue the SRC rate of \$0.003084 (excluding SUT).<sup>7</sup>

On January 15, 2019, JCP&L filed a petition to reconcile its SRC for the 2018-2019 period (“2018-2019 SRC Petition”). By Order dated July 10, 2019, the Board approved a stipulation granting JCP&L’s request in the 2018-2019 SRC Petition to continue the SRC rate of \$0.003084 (excluding SUT).<sup>8</sup> JCP&L noted that the tariff was scheduled to end December 31, 2019, but acknowledged that when it became apparent the remaining balance would be fully recovered, the Company would reduce the Rider SRC rate to zero on the appropriate date, with advance notice to the Board and Rate Counsel. The Parties agreed JCP&L would end the collection as of December 1, 2019. If the SRC ended with an over recovery, the Parties agreed to credit the balance to the largest under-recovered component of the Societal Benefits Charge (“SBC”).

### **JANUARY 2020 PETITION**

On January 31, 2020, JCP&L filed the January 2020 Petition with the Board requesting review and approval of the amounts included in the Company’s SRC Rider deferred balance. The purpose of the filing was to provide an opportunity for review of the deferred balance relating to the recovery of Board approved 2012 Major Storm deferred operations and maintenance costs.

As of December 31, 2019, JCP&L’s unamortized SRC deferred balance, including interest, is now zero. In compliance with the July 2019 Order, JCP&L zeroed out the SRC Rider rate as of December 1, 2019. In the 2020 Petition, JCP&L indicated that the over-recovered balance was \$3,947,992, including carrying costs of \$302,742. As agreed to in the July 2019 Order, the Company applied the net ending over/under-recovered balance in the SRC Rider’s deferred balance to the largest under-recovered component of the SBC Rider deferred balance, which was the Remediation Adjustment Clause (“RAC”) Rider. As the January 2020 Petition is the final true-up of the Rider SRC deferred balance, JCP&L also proposed to eliminate the SRC Rider from its tariff.

As the January 2020 Petition proposed no change to the rate, public hearings were neither required, nor held.

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<sup>6</sup> In re the Verified Petition of Jersey Central Power and Light Company Constituting its Annual Filing with Respect to the Storm Recovery Charge Rider of its Filed Tariff (“SRC Filing”) BPU Docket No. ER17010039, Order dated December 19, 2017.

<sup>7</sup> In re the Verified Petition of Jersey Central Power and Light Company Constituting its Annual Filing with Respect to the Storm Recovery Charge Rider of its Filed Tariff (“SRC Filing”) BPU Docket No. ER18010031, Order dated August 28, 2018.

<sup>8</sup> In re the Verified Petition of Jersey Central Power and Light Company Constituting its Annual Filing with Respect to the Storm Recovery Charge Rider of its Filed Tariff (“SRC Filing”) BPU Docket No. ER19010061, Order dated July 10, 2019 (“July 2019 Order”).

## **STIPULATION**

Following the review of the January 2020 Petition, the Parties executed the Stipulation resolving all of the issues related to the January 2020 Petition. The Stipulation provides for the following<sup>9</sup>:

1. The Parties agree that the ending deferred balance in Rider SRC at December 31, 2019, was an over-recovery of \$3,947,992, including carrying costs of \$302,742. See Attachments A and B of the Stipulation.
2. The Parties further agree that, in accordance with the July 2019 Order, the ending deferred balance in Rider SRC was applied to Rider RAC, which was the largest under-recovered component of the Company's SBC deferred balance at the time of the filing of the Company's January 2020 Petition.
3. The Parties agree that the Board should approve JCP&L's filing in this proceeding as the final true-up of the Rider SRC deferred balance, in accordance with the July 2019 Order, including the Company's application of the \$3,947,992 over-recovered balance, inclusive of carrying charges, to Rider RAC, which was the largest under-recovered component of the Company's Rider SBC deferred balance at the time of the filing of JCP&L's January 2020 Petition which initiated this proceeding.
4. The Parties further agree that the Board should approve the elimination of the Rider SRC Tariff, currently set at a rate of zero, and the Company's application of any net residual revenues from Rider SRC to Rider RAC.
5. The Parties agree that upon the effective date of the Board's written Order approving the Stipulation, all elements of the January 2020 Petition shall be deemed closed and resolved.

## **DISCUSSION AND FINDINGS**

The Board has reviewed the record in this proceeding, including the January 2020 Petition and the Stipulation. The Board **HEREBY FINDS** the Stipulation to be reasonable and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** the elimination of the SRC Rider from JCP&L's tariff. Accordingly, the Board **HEREBY ORDERS** JCP&L to file revised tariff sheets conforming to the terms of the Stipulation prior to June 1, 2020.

The Company's costs, including those related to the SRC, will remain subject to audit by the Board. This Decision and Order shall not preclude, nor prohibit, the Board from taking any actions determined to be appropriate as a result of any such audit.

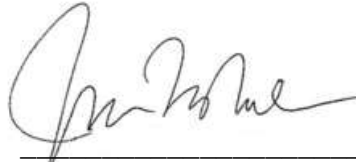
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<sup>9</sup> Although described at some length in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Paragraphs are numbered to coincide with the Stipulation.

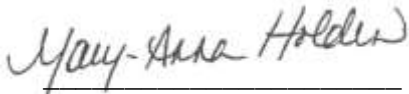
The effective date of this Order is May 30, 2020.

DATED: May 20, 2020

BOARD OF PUBLIC UTILITIES  
BY:



JOSEPH L. FIORDALISO  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER

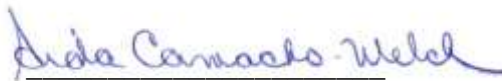


UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE VERIFIED PETITION OF JERSEY CENTRAL POWER & LIGHT COMPANY  
CONSTITUTING ITS ANNUAL FILING WITH RESPECT TO THE STROM RECOVERY CHARGE RIDER  
OF ITS FILED TARIFF ("FINAL 2019 SRC FILING")  
DOCKET NO. ER20010089

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May 7, 2019

**VIA ELECTRONIC MAIL ONLY**

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

**Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company Constituting Its Annual Filing With Respect to the Storm Recovery Charge Rider of Its Filed Tariff (“Final 2019 SRC Filing”)**

**BPU Docket No. ER20010089**

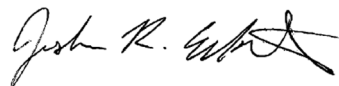
**Stipulation of Settlement**

Dear Secretary Camacho-Welch:

On behalf of Jersey Central Power & Light Company (“JCP&L” or the “Company”), attached for filing please find a fully executed Stipulation of Settlement in the above-referenced matter. This Stipulation of Settlement fully resolves this matter.

In accordance with the New Jersey Board of Public Utilities’ Order in Docket No. EO20030254, dated March 19, 2020, JCP&L is submitting this filing and serving copies by electronic mail only. Please kindly confirm your receipt of the attached for filing at your earliest convenience.

Respectfully submitted,



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

cc: Service List (via email only)

**In the Matter of the Verified Petition of  
Jersey Central Power & Light Company Constituting Its  
Annual Filing With Respect to the Storm Recovery Charge Rider  
Of Its Filed Tariff (“Final 2019 SRC Filing”)**

**BPU Docket No. ER20010089**

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**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

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In the Matter of the Verified Petition of <b>Jersey</b>	:	
<b>Central Power &amp; Light Company</b> Constituting Its	:	BPU Docket No. ER20010089
Annual Filing With Respect to the Storm Recovery	:	
Charge Rider of Its Filed Tariff	:	
	:	
<b>(“Final 2019 SRC Filing”)</b>	:	<b>STIPULATION OF SETTLEMENT</b>

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**APPEARANCES:**

**Joshua R. Eckert, Esq.** and **Lauren M. Lepkoski, Esq.** (FirstEnergy Service Company), on behalf of Jersey Central Power & Light Company

**Ami Morita, Esq.** (Managing Attorney), **Maria Novas-Ruiz, Esq.** (Assistant Deputy Rate Counsel) and **Brian Weeks, Esq.** (Deputy Rate Counsel), on behalf of Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director)

**Terel Klein**, Deputy Attorney 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 (“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 “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 upon the following terms:

**BACKGROUND**

On January 30, 2020, JCP&L filed a verified petition, along with supporting schedules, seeking review and approval of the amounts included in the Company’s Storm Recovery Charge

(“SRC”) deferred balance (“Final 2019 SRC Filing”). The SRC deferred balance relates to the recovery of Board-approved 2012 Major Storm deferred operations and maintenance (“O&M”) costs, to the extent accumulated from April 1, 2019 through December 31, 2019 (“Final 2019 SRC Period”). The Final 2019 SRC Filing is also in compliance with the Board’s Order, dated July 10, 2019, in Docket No. ER19010061 (“July 2019 Order”), making a final Rider SRC true-up filing. The July 2019 Order approved a stipulation of settlement in JCP&L’s 2018-19 SRC Filing, and required JCP&L to apply any net ending over/under-recovered balance in the Rider SRC deferred balance to the largest under-recovered component of the Company’s Rider Societal Benefits Charge (“SBC”). The Company’s Rider SBC is comprised of five (5) riders:—Riders Demand Side Factor (“DSF”); Nuclear Decommissioning Costs (“NDC”); Uncollectible Accounts Charge (“UNC”); Remediation Adjustment Clause (“RAC”); and Universal Service Fund Costs Recovery (“USF”).

### **STIPULATION**

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. The Parties agree that the ending deferred balance in Rider SRC at December 31, 2019, was an over-recovery of \$3,947,992, including carrying costs of \$302,742. *See* Attachments A and B.
2. The Parties further agree that, in accordance with the July 2019 Order, the ending deferred balance in Rider SRC was applied to Rider RAC, which was the largest under-recovered component of the Company’s SBC deferred balance at the time of the filing of the Company’s Final 2019 SRC Filing.

3. The Parties agree that the Board should approve JCP&L's filing in this proceeding as the final true-up of the Rider SRC deferred balance, in accordance with the July 2019 Order, including the Company's application of the \$3,947,992 over-recovered balance, inclusive of carrying charges, to Rider RAC, which was the largest under-recovered component of the Company's Rider SBC deferred balance at the time of the filing of JCP&L's Final 2019 SRC Filing which initiated this proceeding.

4. The Parties further agree that the Board should approve the elimination of the Rider SRC Tariff, currently set at a rate of zero, and the Company's application of any net residual revenues from Rider SRC to Rider RAC.

5. The Parties agree that upon the effective date of the Board's written Order approving this Stipulation, all elements of the Final 2019 SRC Filing shall be deemed closed and resolved.

### **CONCLUSION**

6. 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 the 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 pursue its 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.

7. 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.

8. 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**



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Counsel for Jersey Central Power & Light Company

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



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

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



By:  
Terel Klein  
Deputy Attorney General

**Jersey Central Power & Light Company**  
**Summary of Deferred Storm Recovery Charge (SRC) and Interest**  
**For Period April 1, 2019 through December 31, 2019**  
**Actual Data through December 31, 2019**

Line No.	Apr-19 through Dec-19	Refer to Attachment B Line No(s).
1 Total Unamortized Balance of Deferred O&M at April 1, 2019	\$ 39,424,209	7
2 Balance of Carrying Charge on Unamortized Balance of Deferred O&M at April 1, 2019	<u>\$ 1,551,126</u>	13
3 Total Unamortized Balance of Deferred O&M Including Carrying Charge at April 1, 2019 (Line 1+ Line 2)	\$ 40,975,335	4
4 Tariff Rider SRC Net Revenue Recovery (April 1, 2019 through December 31, 2019)	\$ (45,226,068)	1
5 SRC Amortization Expense Incurred (April 1, 2019 through December 31, 2019)	<u>\$ 43,954,268</u>	2
6 (Over)/Under-Recovery of SRC Costs through December 31, 2019 (Line 4 + Line 5)	\$ (1,271,800)	3
7 Total Unamortized Balance of Deferred O&M Excluding Carrying Charge (Line 3 - Line 5 + Line 6)	\$ (4,250,734)	7
8 Carrying Cost on Unamortized Balance of Deferred O&M (April 1, 2019 through December 31, 2019)	\$ 302,742	13
9 Total Unamortized Balance of Deferred O&M Including Carrying Charge at December 31, 2019 (Line 7 + Line 8)	<u>\$ (3,947,992)</u>	
10 Over Recovery of SRC Applied to Rider RAC at December 31, 2019	\$ 3,947,992	
11 Total Deferred SRC Balance as of December 31, 2019	<u>\$ -</u>	

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Apr 2015	ACTUAL May 2015	ACTUAL Jun 2015	ACTUAL Jul 2015	ACTUAL Aug 2015	ACTUAL Sep 2015
Calculation of Monthly Deferral Cost:						
1	(1,359,563)	(3,000,773)	(3,711,289)	(4,369,754)	(4,724,024)	(4,569,687)
2	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598
3	2,071,036	429,825	(280,691)	(939,156)	(1,293,426)	(1,139,089)
4	\$ 247,003,027	\$ 245,643,465	\$ 242,642,692	\$ 238,931,403	\$ 234,561,649	\$ 229,837,625
5	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)
6	2,071,036	429,825	(280,691)	(939,156)	(1,293,426)	(1,139,089)
7	\$ 245,643,465	\$ 242,642,692	\$ 238,931,403	\$ 234,561,649	\$ 229,837,625	\$ 225,267,938
8	\$ 246,323,246	\$ 244,143,078	\$ 240,787,047	\$ 236,746,526	\$ 232,199,637	\$ 227,552,781
9	100,623,046	99,732,447	98,361,509	96,710,956	94,853,552	92,955,311
10	\$ 145,700,200	\$ 144,410,631	\$ 142,425,538	\$ 140,035,570	\$ 137,346,085	\$ 134,597,470
11	2.52%	2.52%	2.52%	2.52%	2.52%	2.52%
12	\$ 305,970	\$ 303,262	\$ 299,094	\$ 294,075	\$ 288,427	\$ 282,655
13	\$ 305,970	\$ 609,232	\$ 908,326	\$ 1,202,401	\$ 1,490,828	\$ 1,773,483
Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
2015 Rate of Return (at 1/2/15)	2.52%					
2016 Rate of Return (at 1/4/16)	2.66%					
2017 Rate of Return (at 1/3/17)	2.86%					
2018 Rate of Return (at 1/2/18)	2.98%					
2019 Rate of Return (at 1/2/19)	3.16%					

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Oct 2015	ACTUAL Nov 2015	ACTUAL Dec 2015	ACTUAL Jan 2016	ACTUAL Feb 2016	ACTUAL Mar 2016	YTD Mar 2016
Calculation of Monthly Deferral Cost:							
1	(3,501,817)	(2,912,906)	(3,337,141)	(3,613,216)	(3,598,670)	(3,363,375)	(42,062,215)
2	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598	41,167,176
3	(71,219)	517,692	93,457	(182,618)	(168,072)	67,223	(895,039)
4	\$ 225,267,938	\$ 221,766,121	\$ 218,853,215	\$ 215,516,073	\$ 211,902,857	\$ 208,304,187	\$ 247,003,027
5	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(41,167,176)
6	(71,219)	517,692	93,457	(182,618)	(168,072)	67,223	(895,039)
7	\$ 221,766,121	\$ 218,853,215	\$ 215,516,073	\$ 211,902,857	\$ 208,304,187	\$ 204,940,812	\$ 204,940,812
8	\$ 223,517,029	\$ 220,309,668	\$ 217,184,644	\$ 213,709,465	\$ 210,103,522	\$ 206,622,499	
9	91,306,706	89,996,499	88,719,927	87,300,316	85,827,289	84,405,291	
10	\$ 132,210,323	\$ 130,313,169	\$ 128,464,717	\$ 126,409,149	\$ 124,276,233	\$ 122,217,208	
11	2.52%	2.52%	2.52%	2.66%	2.66%	2.66%	
12	\$ 277,642	\$ 273,658	\$ 269,776	\$ 280,207	\$ 275,479	\$ 270,915	\$ 3,421,160
13	\$ 2,051,125	\$ 2,324,783	\$ 2,594,559	\$ 2,874,766	\$ 3,150,245	\$ 3,421,160	\$ 3,421,160
Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
2015 Rate of Return (at 1/2/15)	2.52%						
2016 Rate of Return (at 1/4/16)	2.66%						
2017 Rate of Return (at 1/3/17)	2.86%						
2018 Rate of Return (at 1/2/18)	2.98%						
2019 Rate of Return (at 1/2/19)	3.16%						



**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	( Interest Compounding)						
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	
Calculation of Monthly Deferral Cost:							
1	Current Month SRC Revenue	(3,064,404)	(2,875,885)	(3,644,335)	(4,307,525)	(4,987,609)	(4,585,463)
2	LESS AMORTIZATION	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598	3,430,598
3	Amount (Over)/Under Recovered	366,194	554,713	(213,737)	(876,927)	(1,557,011)	(1,154,865)
4	Beginning Balance	\$ 208,361,972	\$ 205,297,568	\$ 202,421,682	\$ 198,777,348	\$ 194,469,823	\$ 189,482,214
5	Amortization	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)
6	Monthly Deferral	366,194	554,713	(213,737)	(876,927)	(1,557,011)	(1,154,865)
7	Ending Balance	\$ 205,297,568	\$ 202,421,682	\$ 198,777,348	\$ 194,469,823	\$ 189,482,214	\$ 184,896,751
8	Avg Bal	\$ 206,829,770	\$ 203,859,625	\$ 200,599,515	\$ 196,623,585	\$ 191,976,019	\$ 187,189,483
9	Less: Dfd Taxes	84,489,961	83,276,657	81,944,902	80,320,734	78,422,204	76,466,904
10	Ending Bal After Tax	\$ 122,339,809	\$ 120,582,968	\$ 118,654,613	\$ 116,302,851	\$ 113,553,815	\$ 110,722,579
11	Return Rate	2.66%	2.66%	2.66%	2.66%	2.66%	2.66%
12	Carrying Cost	\$ 271,187	\$ 267,292	\$ 263,018	\$ 257,805	\$ 251,711	\$ 245,435
13	Cumulative Carrying Cost	\$ 271,187	\$ 538,479	\$ 801,497	\$ 1,059,302	\$ 1,311,013	\$ 1,556,448
	Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
	2015 Rate of Return (at 1/2/15)	2.52%					
	2016 Rate of Return (at 1/4/16)	2.66%					
	2017 Rate of Return (at 1/3/17)	2.86%					
	2018 Rate of Return (at 1/2/18)	2.98%					
	2019 Rate of Return (at 1/2/19)	3.16%					

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Oct 2016	ACTUAL Nov 2016	ACTUAL Dec 2016	ACTUAL Jan 2017	ACTUAL Feb 2017	ACTUAL Mar 2017	YTD Mar 2017
Calculation of Monthly Deferral Cost:							
1	(3,404,250)	(3,288,027)	(3,411,887)	(3,859,285)	(4,020,874)	(4,743,873)	(46,193,417)
2	3,430,598	3,430,598	3,430,598	3,430,598	4,883,809	4,883,809	44,073,598
3	26,348	142,571	18,711	(428,687)	862,935	139,936	(2,119,819)
4	\$ 184,896,751	\$ 181,492,501	\$ 178,204,475	\$ 174,792,587	\$ 170,933,302	\$ 166,912,428	\$ 208,361,972
5	(3,430,598)	(3,430,598)	(3,430,598)	(3,430,598)	(4,883,809)	(4,883,809)	(44,073,598)
6	26,348	142,571	18,711	(428,687)	862,935	139,936	(2,119,819)
7	\$ 181,492,501	\$ 178,204,475	\$ 174,792,587	\$ 170,933,302	\$ 166,912,428	\$ 162,168,555	\$ 162,168,555
8	\$ 183,194,626	\$ 179,848,488	\$ 176,498,531	\$ 172,862,945	\$ 168,922,865	\$ 164,540,491	
9	74,835,005	73,468,107	72,099,650	70,614,513	69,004,990	67,214,791	
10	\$ 108,359,621	\$ 106,380,381	\$ 104,398,881	\$ 102,248,432	\$ 99,917,875	\$ 97,325,700	
11	2.66%	2.66%	2.66%	2.86%	2.86%	2.86%	
12	\$ 240,197	\$ 235,810	\$ 231,418	\$ 243,692	\$ 238,138	\$ 231,960	\$ 2,977,663
13	\$ 1,796,645	\$ 2,032,455	\$ 2,263,873	\$ 2,507,565	\$ 2,745,703	\$ 2,977,663	\$ 2,977,663
Tax Rate							
	40.85%						
2015 Rate of Return (at 1/2/15)							
	2.52%						
2016 Rate of Return (at 1/4/16)							
	2.66%						
2017 Rate of Return (at 1/3/17)							
	2.86%						
2018 Rate of Return (at 1/2/18)							
	2.98%						
2019 Rate of Return (at 1/2/19)							
	3.16%						

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	( Interest Compounding)						
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	
Calculation of Monthly Deferral Cost:							
1	Current Month SRC Revenue	\$ (4,548,128)	(4,507,643)	(5,202,026)	(6,533,600)	(6,450,968)	(5,630,378)
2	LESS AMORTIZATION	\$ 4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809
3	Amount (Over)/Under Recovered	335,681	376,166	(318,217)	(1,649,791)	(1,567,159)	(746,569)
4	Beginning Balance	\$ 165,146,218	\$ 160,598,090	\$ 156,090,446	\$ 150,888,420	\$ 144,354,820	\$ 137,903,851
5	Amortization	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)
6	Monthly Deferral	335,681	376,166	(318,217)	(1,649,791)	(1,567,159)	(746,569)
7	Ending Balance	\$ 160,598,090	\$ 156,090,446	\$ 150,888,420	\$ 144,354,820	\$ 137,903,851	\$ 132,273,473
8	Avg Bal	\$ 162,872,154	\$ 158,344,268	\$ 153,489,433	\$ 147,621,620	\$ 141,129,336	\$ 135,088,662
9	Less: Dfd Taxes	66,533,275	64,683,633	62,700,433	60,303,432	57,651,334	55,183,718
10	Ending Bal After Tax	\$ 96,338,879	\$ 93,660,635	\$ 90,789,000	\$ 87,318,188	\$ 83,478,002	\$ 79,904,944
11	Return Rate	2.86%	2.86%	2.86%	2.86%	2.86%	2.86%
12	Carrying Cost	\$ 229,608	\$ 223,225	\$ 216,380	\$ 208,108	\$ 198,956	\$ 190,440
13	Cumulative Carrying Cost	\$ 229,608	\$ 452,833	\$ 669,213	\$ 877,321	\$ 1,076,277	\$ 1,266,717
	Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
	2015 Rate of Return (at 1/2/15)	2.52%					
	2016 Rate of Return (at 1/4/16)	2.66%					
	2017 Rate of Return (at 1/3/17)	2.86%					
	2018 Rate of Return (at 1/2/18)	2.98%					
	2019 Rate of Return (at 1/2/19)	3.16%					

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Oct 2017	ACTUAL Nov 2017	ACTUAL Dec 2017	ACTUAL Jan 2018	ACTUAL Feb 2018	ACTUAL Mar 2018	YTD Mar 2018
Calculation of Monthly Deferral Cost:							
1	(5,124,152)	(4,485,213)	(4,855,433)	(5,903,624)	(5,313,486)	(4,672,212)	(63,226,864)
2	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	58,605,708
3	(240,343)	398,596	28,376	(1,019,815)	(429,677)	211,597	(4,621,156)
4	\$ 132,273,473	\$ 127,149,321	\$ 122,664,108	\$ 117,808,675	\$ 111,905,052	\$ 106,591,565	\$ 165,146,218
5	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(58,605,708)
6	(240,343)	398,596	28,376	(1,019,815)	(429,677)	211,597	(4,621,156)
7	\$ 127,149,321	\$ 122,664,108	\$ 117,808,675	\$ 111,905,052	\$ 106,591,565	\$ 101,919,354	\$ 101,919,354
8	\$ 129,711,397	\$ 124,906,715	\$ 120,236,392	\$ 114,856,863	\$ 109,248,308	\$ 104,255,460	
9	52,987,106	51,024,393	49,116,566	32,286,264	30,709,699	29,306,210	
10	\$ 76,724,291	\$ 73,882,322	\$ 71,119,826	\$ 82,570,599	\$ 78,538,609	\$ 74,949,250	
11	2.86%	2.86%	2.86%	2.98%	2.98%	2.98%	
12	\$ 182,860	\$ 176,086	\$ 169,502	\$ 205,050	\$ 195,038	\$ 186,124	\$ 2,381,377
13	\$ 1,449,577	\$ 1,625,663	\$ 1,795,165	\$ 2,000,215	\$ 2,195,253	\$ 2,381,377	\$ 2,381,377
Tax Rate	40.85%	40.85%	40.85%	28.11%	28.11%	28.11%	
2015 Rate of Return (at 1/2/15)	2.52%						
2016 Rate of Return (at 1/4/16)	2.66%						
2017 Rate of Return (at 1/3/17)	2.86%						
2018 Rate of Return (at 1/2/18)	2.98%						
2019 Rate of Return (at 1/2/19)	3.16%						

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	( Interest Compounding)						
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	
Calculation of Monthly Deferral Cost:							
1	Current Month SRC Revenue	(4,625,200)	(4,451,600)	(5,249,531)	(6,539,239)	(6,911,770)	(6,809,527)
2	LESS AMORTIZATION	\$ 4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809
3	Amount (Over)/Under Recovered	258,609	432,209	(365,722)	(1,655,430)	(2,027,961)	(1,925,718)
4	Beginning Balance	\$ 104,300,731	\$ 99,675,531	\$ 95,223,931	\$ 89,974,400	\$ 83,435,161	\$ 76,523,391
5	Amortization	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)
6	Monthly Deferral	258,609	432,209	(365,722)	(1,655,430)	(2,027,961)	(1,925,718)
7	Ending Balance	\$ 99,675,531	\$ 95,223,931	\$ 89,974,400	\$ 83,435,161	\$ 76,523,391	\$ 69,713,864
8	Avg Bal	\$ 101,988,131	\$ 97,449,731	\$ 92,599,165	\$ 86,704,780	\$ 79,979,276	\$ 73,118,627
9	Less: Dfd Taxes	28,668,864	27,393,119	26,029,625	24,372,714	22,482,174	20,553,646
10	Ending Bal After Tax	\$ 73,319,267	\$ 70,056,612	\$ 66,569,540	\$ 62,332,066	\$ 57,497,102	\$ 52,564,981
11	Return Rate	2.98%	2.98%	2.98%	2.98%	2.98%	2.98%
12	Carrying Cost	\$ 182,076	\$ 173,974	\$ 165,314	\$ 154,791	\$ 142,784	\$ 130,536
13	Cumulative Carrying Cost	\$ 182,076	\$ 356,050	\$ 521,364	\$ 676,155	\$ 818,939	\$ 949,475
	Tax Rate	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%
	2015 Rate of Return (at 1/2/15)	2.52%					
	2016 Rate of Return (at 1/4/16)	2.66%					
	2017 Rate of Return (at 1/3/17)	2.86%					
	2018 Rate of Return (at 1/2/18)	2.98%					
	2019 Rate of Return (at 1/2/19)	3.16%					

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Oct 2018	ACTUAL Nov 2018	ACTUAL Dec 2018	ACTUAL Jan 2019	ACTUAL Feb 2019	ACTUAL Mar 2019	YTD Mar 2019
Calculation of Monthly Deferral Cost:							
1	(5,115,431)	(4,462,354)	(4,868,498)	(5,697,570)	(5,234,224)	(4,911,578)	(64,876,522)
2	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	4,883,809	58,605,708
3	(231,622)	421,455	15,311	(813,761)	(350,415)	(27,769)	(6,270,814)
4	\$ 69,713,864	\$ 64,598,433	\$ 60,136,079	\$ 55,267,581	\$ 49,570,010	\$ 44,335,787	\$ 104,300,731
5	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(58,605,708)
6	(231,622)	421,455	15,311	(813,761)	(350,415)	(27,769)	(6,270,814)
7	\$ 64,598,433	\$ 60,136,079	\$ 55,267,581	\$ 49,570,010	\$ 44,335,787	\$ 39,424,209	\$ 39,424,209
8	\$ 67,156,149	\$ 62,367,256	\$ 57,701,830	\$ 52,418,796	\$ 46,952,899	\$ 41,879,998	
9	18,877,593	17,531,436	16,219,984	14,734,924	13,198,460	11,772,467	
10	\$ 48,278,556	\$ 44,835,820	\$ 41,481,846	\$ 37,683,872	\$ 33,754,439	\$ 30,107,531	
11	2.98%	2.98%	2.98%	3.16%	3.16%	3.16%	
12	\$ 119,892	\$ 111,342	\$ 103,013	\$ 99,234	\$ 88,887	\$ 79,283	\$ 1,551,126
13	\$ 1,069,367	\$ 1,180,709	\$ 1,283,722	\$ 1,382,956	\$ 1,471,843	\$ 1,551,126	\$ 1,551,126
Tax Rate	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%	
2015 Rate of Return (at 1/2/15)	2.52%						
2016 Rate of Return (at 1/4/16)	2.66%						
2017 Rate of Return (at 1/3/17)	2.86%						
2018 Rate of Return (at 1/2/18)	2.98%						
2019 Rate of Return (at 1/2/19)	3.16%						

**Jersey Central Power & Light**  
**2012 Storm Cost Regulatory Asset Deferral and Carrying Cost Calculation**  
**Approval per BPU Docket No. AX13030196**

Line No.	( Interest Compounding)						
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	
Calculation of Monthly Deferral Cost:							
1	Current Month SRC Revenue	(4,352,437)	(4,242,043)	(4,904,625)	(6,376,893)	(7,031,400)	(6,072,784)
2	LESS AMORTIZATION	4,883,809	\$ 4,883,809	\$ 4,883,809	\$ 4,883,809	\$ 4,883,809	\$ 4,883,809
3	Amount (Over)/Under Recovered	531,372	641,766	(20,816)	(1,493,084)	(2,147,591)	(1,188,975)
4	Beginning Balance	\$ 40,975,335	\$ 36,622,898	\$ 32,380,854	\$ 27,476,230	\$ 21,099,337	\$ 14,067,937
5	Amortization	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)	(4,883,809)
6	Monthly Deferral	531,372	641,766	(20,816)	(1,493,084)	(2,147,591)	(1,188,975)
7	Ending Balance	\$ 36,622,898	\$ 32,380,854	\$ 27,476,230	\$ 21,099,337	\$ 14,067,937	\$ 7,995,152
8	Avg Bal	\$ 38,799,116	\$ 34,501,876	\$ 29,928,542	\$ 24,287,783	\$ 17,583,637	\$ 11,031,545
9	Less: Dfd Taxes	10,906,432	9,698,477	8,412,913	6,827,296	4,942,760	3,100,967
10	Ending Bal After Tax	\$ 27,892,684	\$ 24,803,399	\$ 21,515,629	\$ 17,460,487	\$ 12,640,877	\$ 7,930,578
11	Return Rate	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
12	Carrying Cost	\$ 73,451	\$ 65,316	\$ 56,658	\$ 45,979	\$ 33,288	\$ 20,884
13	Cumulative Carrying Cost	\$ 73,451	\$ 138,767	\$ 195,425	\$ 241,404	\$ 274,692	\$ 295,576
	Tax Rate	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%
	2015 Rate of Return (at 1/2/15)						
	2016 Rate of Return (at 1/4/16)						
	2017 Rate of Return (at 1/3/17)						
	2018 Rate of Return (at 1/2/18)						
	2019 Rate of Return (at 1/2/19)						

**Jersey Central Power & Light  
2012 Storm Cost Regulatory Asset Deferral and  
Approval per BPU Docket No. AX13030196**

Line No.	ACTUAL Oct 2019	ACTUAL Nov 2019	ACTUAL Dec 2019	YTD Dec 2019
Calculation of Monthly Deferral Cost:				
1	(4,889,945)	(4,297,269)	(3,058,673)	(45,226,068)
2	\$ 4,883,809	\$ 4,883,809	\$ 4,883,796	43,954,268
3	(6,136)	586,540	1,825,123	(1,271,800)
4	\$ 7,995,152	\$ 3,105,208	\$ (1,192,061)	\$ 40,975,335
5	(4,883,809)	(4,883,809)	(4,883,796)	(43,954,268)
6	(6,136)	586,540	1,825,123	(1,271,800)
7	\$ 3,105,208	\$ (1,192,061)	\$ (4,250,734)	\$ (4,250,734)
8	\$ 5,550,180	\$ 956,573	\$ (2,721,398)	
9	1,560,156	268,893	(764,985)	
10	\$ 3,990,024	\$ 687,680	\$ (1,956,413)	
11	3.16%	3.16%	3.16%	
12	\$ 10,507	\$ 1,811	\$ (5,152)	\$ 302,742
13	\$ 306,083	\$ 307,894	\$ 302,742	\$ 302,742
	Tax Rate	28.11%	28.11%	28.11%
	2015 Rate of Return (at 1/2/15)			
	2016 Rate of Return (at 1/4/16)			
	2017 Rate of Return (at 1/3/17)			
	2018 Rate of Return (at 1/2/18)			
	2019 Rate of Return (at 1/2/19)			