



**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 PETITION OF JERSEY )  
CENTRAL POWER AND LIGHT COMPANY’S )  
VERIFIED PETITION TO ESTABLISH A NEW RATE )  
COMPONENT OF ITS RIDER RRC – RGGI )  
RECOVERY CHARGE (“RIDER RRC”) FOR COSTS )  
INCURRED PURSUANT TO THE MANDATED )  
TRANSITION RENEWABLE ENERGY CREDIT )  
 (“TREC”) INCENTIVE PROGRAM (“JCP&L INITIAL )  
TREC RATE RECOVERY”) ) BPU DOCKET NO. ER20050351

**Parties of Record:**

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

BY THE BOARD:

On May 11, 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”) seeking approval to recover revenues associated with the Transitional Renewable Energy Certificate Program (“TREC Program”) (“2020 TREC Petition”). 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**

By Order dated December 6, 2019, the Board established the TREC Program that was designed to bridge the gap between Legacy Solar Renewable Energy Certificate Programs and a to-be-determined Successor Program.<sup>1</sup> The BPU directed New Jersey’s Electric Distribution Companies (“EDCs”) to work with Staff to jointly procure a TREC Administrator that would acquire

---

<sup>1</sup> In re a New Jersey Solar Transmission Pursuant to P.L. 2018, C.17, BPU Docket No. QO19010068, Order dated December 6, 2019 (“TREC Order”).

all of the TRECs produced each year by eligible solar generation projects. The TREC Administrator would then allocate the TRECs to load serving entities based on their market share of retail sales for retirement within the generation attribute tracking system as part of the annual renewable portfolio standard compliance process.

The TREC Order further authorized the EDCs to recover reasonable and prudent costs for TRECs procurement and TREC Administrator fees. According to the TREC Order, the recovery of these costs would be based on each EDC's proportionate share of retail electric sales. As a result, each EDC was to make an annual filing for its costs and the recovery method, which will be subject to approval by the Board.

By Order dated March 9, 2020, the Board prescribed that the TREC Administrator would acquire all TRECs produced by eligible solar generation projects at a base compensation rate of \$152 per megawatt hours.<sup>2</sup> The TREC Administrator would then calculate the actual value of a TREC to be acquired by multiplying the base compensation rate by a factor applicable to the solar project type set forth in the table below:

Solar Project Type	TREC Factor
Subsection (t): landfill, brownfield, areas of historic fill	1.0
Grid Supply (subsection (r)) rooftop	1.0
Net metered non-residential rooftop and carport	1.0
Community solar	0.85
Grid supply (subsection (r)) ground mount	0.6
Net metered residential ground mount	0.6
Net metered residential rooftop and carport	0.6
Net metered non-residential ground mount	0.6

On April 10, 2020, the EDCs issued a joint request for proposal to 17 vendors to provide TREC administrator services for three years beginning June 2020. Four (4) bids were received on April 27, 2020. In July 2020, the EDCs executed a contract with InClime, Inc. to serve as the TREC Administrator. The EDCs estimated the cost of the TREC Administrator Services Fees for the initial three-year period to be between \$3.4 million and \$3.8 million.

## **2020 TREC PETITION**

On May 11, 2020, JCP&L filed the 2020 TREC Petition seeking approval to recover an initial revenue requirement of approximately \$11.56 million associated with the TREC Program for the period June 1, 2020 through September 30, 2021. JCP&L proposed to recover this amount through a new component of the Company's existing Rider RGGI Recovery Charge ("Rider RRC"). JCP&L's proportionate share of retail electric sales is currently 28.37% based on the period January 2019 through December 2019. JCP&L is projecting 22,118,184 megawatt hours will be sold between September 1, 2020 and September 30, 2021.

---

<sup>2</sup> In re a New Jersey Solar Transmission Pursuant to P.L. 2018, C.17 – TREC Base Compensation Schedule, BPU Docket No. QO19010068, Order dated March 9, 2020.

The TREC costs include the Company's share of: (a) payments for the procurement of TREC's, (b) the TREC Administrator's Fee, and (c) any other applicable costs reasonable and prudently incurred by the Company in the disposition of its TREC obligations. The Company proposed to update the TREC costs on an annual basis incorporating a true-up for actuals and an estimate of the revenue requirement for the upcoming recovery period in future Rider RRC cost recovery filings.

After publication of notice in newspapers of general circulation in the Company's service territory, public hearings were held telephonically at 1:00 and 4:00 pm on July 16, 2020. No members of the public commented on the matter or provided written comments to the Board.

### **STIPULATION**

Following the review of the 2020 TREC Petition and discovery, the Parties executed the Stipulation, which provides for the following:<sup>3</sup>

1. The Board should approve JCP&L's filing in this proceeding and authorize the Company to establish a TREC Rate as a new rate component of its Rider RRC, effective upon Board approval.
2. The Parties agree that JCP&L's projected revenue requirement for June 1, 2020 through September 30, 2021 is \$11,560,182 based on its proportionate share (28.37%) of the estimated costs and expenses of the procurement of TREC's and the TREC Administrator fee, as well as any other reasonable costs incurred as a result of the Company's participation in the TREC program. The projected amount of these expenditures will be trued-up in a subsequent annual Rider RRC filing. JCP&L will defer its reasonably and prudently incurred costs associated with disposition of its TREC obligations prior to the issuance of a Board order and recover such costs in the initial rate period.
3. The Parties agree that JCP&L may implement an initial TREC Rate of \$0.000523 per kilowatt-hour ("kWh"), exclusive of Sales and Use Tax ("SUT") (which is a TREC rate of RRC rate of \$0.000558, inclusive of SUT) based on the Company's projected revenue requirement. See Attachments A through D of the Stipulation, which set forth the calculation of JCP&L's projected revenue requirement and the resulting proposed TREC Rate.
4. The Parties agree that the rates established in the Stipulation are based upon forecasted costs. All costs associated with the TREC program, including those forecasted for the previous year are subject to review by the Parties in annual Rider RRC filings.
5. Monthly revenue requirements will be based upon actual costs with over/under recoveries from revenue collected being tracked with interest and included when rates are reset in the Company's future Rider RRC filings. The accrual of interest on the unamortized balance (net of deferred taxes), including any over or under-

---

<sup>3</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.

recovered amounts, will be calculated at the rate and in the manner provided for in the Company's Rider RRC Tariff. See Attachment E of the Stipulation, which is a copy of JCP&L's proposed Rider RRC Tariff sheet after Board approval of the TREC Rate.

6. Based on the 2020 TREC Petition, the average monthly bill of a typical residential customer using 768 kWh per month will increase by \$0.43, or 0.4%.
7. The Parties agree that, upon the effective date of the Board's written Order approving the Stipulation, all elements of the JCP&L 2020 TREC Petition shall be deemed closed and resolved.

### **DISCUSSION AND FINDINGS**

The Board reviewed the record in this proceeding, including the 2020 TREC Petition and the Stipulation and **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.

Based on the Stipulation, a typical residential customer using 768 kWh per month would see an increase in their monthly bill of \$0.43, or 0.40%.

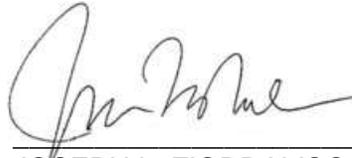
Accordingly, the Board **HEREBY AUTHORIZES** JCP&L to establish a new component of its Rider RRC to recover costs associated with the TREC Program. Additionally, the Board **HEREBY ORDERS** JCP&L to file revised tariff sheets conforming to the terms of the Stipulation prior to September 1, 2020.

The Company's costs, including those related to TREC program administration, 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.

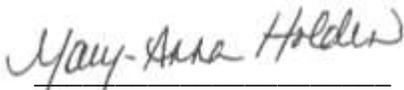
The effective date of this Order is August 22, 2020.

DATED: August 12, 2020

BOARD OF PUBLIC UTILITIES  
BY:



JOSEPH L. FIORDALISO  
PRESIDENT



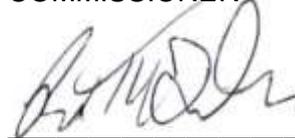
MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER

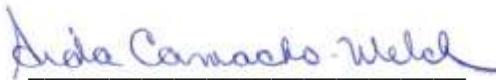


UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

**IN THE MATTER OF JERSEY CENTRAL POWER AND LIGHT COMPANY'S VERIFIED  
PETITION TO ESTABLISH A NEW RATE COMPONENT OF ITS RIDER RRC – RGGI  
RECOVERY CHARGE (“RIDER RRC”) FOR COSTS INCURRED PURSUANT TO THE  
MANDATED TRANSITION RENEWABLE ENERGY CREDIT (“TREC”) INCENTIVE  
PROGRAM (“JCP&L INITIAL TREC RATE FILING”)**

**BPU DOCKET NO. ER20050351**

**SERVICE LIST**

<p><b><u>Jersey Central Power and Light Company</u></b> 300 Madison Ave Morristown, NJ 07960</p> <p>Joshua R. Eckert, Esq. <a href="mailto:jeckert@firstenergycorp.com">jeckert@firstenergycorp.com</a></p> <p>Mark A. Mader <a href="mailto:mamader@firstenergycorp.com">mamader@firstenergycorp.com</a></p> <p>James O'Toole <a href="mailto:jotoole@firstenergycorp.com">jotoole@firstenergycorp.com</a></p> <p>Youngmei Peng <a href="mailto:ypeng@firstenergycorp.com">ypeng@firstenergycorp.com</a></p> <p>Lauren Lepkoski, Esq. FirstEnergy Service Company Legal Department 22800 Pottsville Pike Reading, PA 19612-6001 <a href="mailto:llepkoski@firstenergycorp.com">llepkoski@firstenergycorp.com</a></p> <p><b><u>Division of Rate Counsel:</u></b> 140 East Front Street, 4<sup>th</sup> Floor Post Office Box 003 Trenton, NJ 08625</p> <p>Stefanie A. Brand, Esq., Director <a href="mailto:sbrand@rpa.nj.gov">sbrand@rpa.nj.gov</a></p> <p>Brian Lipman, Esq., Litigation Manager <a href="mailto:blipman@rpa.nj.gov">blipman@rpa.nj.gov</a></p> <p>Felicia Thomas-Friel, Esq. <a href="mailto:ftthomas@rpa.nj.gov">ftthomas@rpa.nj.gov</a></p> <p>Sarah Steindel, Esq. <a href="mailto:ssteindel@rpa.nj.gov">ssteindel@rpa.nj.gov</a></p>	<p><b><u>Board of Public Utilities:</u></b> 44 South Clinton Avenue, 9<sup>th</sup> Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho-Welch, Board Secretary <a href="mailto:board.secretary@bpu.nj.gov">board.secretary@bpu.nj.gov</a></p> <p>Paul Flanagan, Esq., Executive Director <a href="mailto:paul.flanagan@bpu.nj.gov">paul.flanagan@bpu.nj.gov</a></p> <p><b><u>Office of Chief Counsel</u></b></p> <p>Abe Silverman, Esq., General Counsel <a href="mailto:abe.silverman@bpu.nj.gov">abe.silverman@bpu.nj.gov</a></p> <p>Carol Artale, Esq., Deputy General Counsel <a href="mailto:carol.artale@bpu.nj.gov">carol.artale@bpu.nj.gov</a></p> <p>Rachel Boylan, Esq. <a href="mailto:rachel.boylan@bpu.nj.gov">rachel.boylan@bpu.nj.gov</a></p> <p><b><u>Division of Energy</u></b></p> <p>Stacy Peterson, Director <a href="mailto:stacy.peterson@bpu.nj.gov">stacy.peterson@bpu.nj.gov</a></p> <p>Ryan Moran <a href="mailto:ryan.moran@bpu.nj.gov">ryan.moran@bpu.nj.gov</a></p> <p><b><u>Division of Clean Energy</u></b></p> <p>Benjamin Scott Hunter <a href="mailto:benjamin.hunter@bpu.nj.gov">benjamin.hunter@bpu.nj.gov</a></p> <p>Ariane Benrey <a href="mailto:ariane.benrey@bpu.nj.gov">ariane.benrey@bpu.nj.gov</a></p>
---	---

Maura Caroselli, Esq.  
[mcaroselli@rpa.nj.gov](mailto:mcaroselli@rpa.nj.gov)

Robert J. Henkes  
Henkes Consulting  
7 Sunset Road  
Old Greenwich, CT 06870  
[rhenkes@optonline.net](mailto:rhenkes@optonline.net)

**Division of Law**  
25 Market Street  
Post Office Box 112  
Trenton, NJ 08625

Pamela Owen, ASC, DAG  
[pamela.owen@law.njoag.gov](mailto:pamela.owen@law.njoag.gov)

Michael Beck, DAG  
[michael.beck@law.njoag.gov](mailto:michael.beck@law.njoag.gov)

Terel Klein, DAG  
[terel.klein@law.njoag.gov](mailto:terel.klein@law.njoag.gov)

Daren Eppley, DAG  
[daren.eppley@law.njoag.gov](mailto:daren.eppley@law.njoag.gov)

Joshua R. Eckert, Esq.  
(973) 401-8838  
(330) 315-9165 (Fax)

July 31, 2020

**VIA ELECTRONIC MAIL ONLY**

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

**Re:** In the Matter of Jersey Central Power & Light Company's Verified Petition to Establish a New Rate Component of its Rider RRC – RGGI Recovery Charge ("Rider RRC") for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit ("TREC") Incentive Program ("**JCP&L Initial TREC Rate Filing**")

Docket No. ER20050351

Stipulation of Settlement

Dear Secretary Camacho-Welch:

On behalf of Jersey Central Power & Light Company ("JCP&L" or the "Company"), please accept the attached Stipulation of Settlement for filing in the above-referenced matter. In accordance with the Board's Order in Docket No. EO20030254, an electronic copy of this filing is being provided today to the individuals on the attached Service List. This Stipulation of Settlement fully resolves this matter.

Respectfully submitted,



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

cc: Service List

In the Matter of Jersey Central Power & Light Company’s Verified Petition to Establish a New Rate Component of its Rider RRC – RGGI Recovery Charge (“Rider RRC”) for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”) Incentive Program  
**(“JCP&L Initial TREC Rate Filing”)**

Docket No. ER20050351

Service List

Board of Public Utilities

Aida Camacho-Welch  
Aida.camacho@bpu.nj.gov

Karriemah Graham  
Karriemah.graham@bpu.nj.gov

Abe Silverman  
Abe.silverman@bpu.nj.gov

Stacy Peterson  
Stacy.peterson@bpu.nj.gov

Rachel Boylan  
Rachel.boylan@bpu.nj.gov

Paul Lupo  
Paul.lupo@bpu.nj.gov

Ryan Moran  
Ryan.moran@bpu.nj.gov

Heather Weisband  
Heather.weisband@bpu.nj.gov

Carol Artale  
Carol.artale@bpu.nj.gov

Benjamin Hunter  
Benjamin.hunter@bpu.nj.gov

Ariane Benrey  
Ariane.benrey@bpu.nj.gov

Jackie O’Grady  
Jackie.ogrady@bpu.nj.gov

Division of Law

Pamela Owen  
pamela.owen@law.njoag.gov

Terel Klein  
Terel.klein@law.njoag.gov

Division of Rate Counsel

Stefanie Brand  
sbrand@rpa.nj.gov

Sarah Steindel  
ssteinde@rpa.nj.gov

Brian Lipman  
blipman@rpa.nj.gov

Felicia Thomas-Friel  
fthomas@rpa.nj.gov

JCP&L

Joshua R. Eckert  
jeckert@firstenergycorp.com

Lauren M. Lepkoski  
llepkoski@firstenergycorp.com

Mark A. Mader  
mamader@firstenergycorp.com

James O’Toole  
jotoole@firstenergycorp.com

In the Matter of Jersey Central Power & Light Company's Verified Petition to Establish a New Rate Component of its Rider RRC – RGGI Recovery Charge (“Rider RRC”) for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”) Incentive Program  
**(“JCP&L Initial TREC Rate Filing”)**

Docket No. ER20050351

Service List (cont'd)

JCP&L (cont'd)

Yongmei Peng  
ypeng@firstenergycorp.com

Thomas Donadio  
tdonadio@firstenergycorp.com

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

---

In the Matter of Jersey Central Power & Light Company’s Verified Petition to Establish a New Rate Component of its Rider RRC – RGGI Recovery Charge (“Rider RRC”) for Costs Incurred Pursuant to the Mandated Transition Renewable Energy Credit (“TREC”) Incentive Program (“JCP&L Initial TREC Rate Filing”)	)	<b><u>Stipulation of Settlement</u></b>
	)	
	)	
	)	
	)	BPU Docket No. ER20050351
	)	
	)	
	)	

---

**APPEARANCES:**

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

**Felicia Thomas-Friel**, Deputy Rate Counsel, **Sarah H. Steindel**, Assistant Deputy Rate Counsel, and **Maura Caroselli**, Assistant Deputy Rate Counsel, , on behalf of the New Jersey 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, “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 May 11, 2020, JCP&L filed a Verified Petition and supporting schedules (“JCP&L’s Initial TREC Rate Filing”) seeking to recover its *pro rata* share of certain costs associated with

the implementation of the Board's Order in In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, C.17, in Docket No. QO19010068, dated December 6, 2019 ("TREC Order").

The TREC Order directed the State's electric distribution companies ("EDCs") to procure a TREC Administrator, whose role will be (a) to acquire all of the Transition Renewable Energy Certificates ("TRECs") produced each year by eligible solar generation projects, and (b) allocate the TRECs to load serving entities for retirement within the generation attribute tracking system ("GATS") as part of the annual renewable portfolio standard compliance process. As part of the TREC procurement process, the TREC Administrator would be paid a fee ("TREC Administrator fee") for providing its services associated with the administration of the TREC process. The terms and conditions governing the determination of the TREC Administrator fee, as well as the administrative services to be provided by the TREC Administrator, are embodied in a TREC contract entered into between the TREC Administrator and the EDCs.

The TREC Order further provided that "the EDCs may recover reasonable and prudent costs for TRECs procurement and TREC Administrator fees. Recovery shall be based on each EDC's proportionate share of retail electric sales. Each EDC shall make an annual filing for its costs and the recovery method, which shall be subject to approval by the Board."

In the petition, JCP&L proposed to establish a new rate component ("TREC Rate") of the Company's Rider RRC – RGGI Recovery Charge ("Rider RRC"). The TREC Rate is intended to allow JCP&L to recover the costs and expenses incurred by the Company as a result of its compliance with the TREC Order.

As a result of the COVID-19 pandemic, two telephonic public hearings were held on JCP&L's Initial TREC Rate Filing on July 16, 2020 at 1:00 p.m. and 4:00 p.m., respectively. No

members of the public attended or participated in the telephonic public hearings or filed written comments with the Board.

Following the filing of JCP&L's Initial TREC Rate Filing, the Parties engaged in discovery and exchanged additional information through informal discussions.

### **STIPULATION**

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. The Board should approve JCP&L's filing in this proceeding and authorize the Company to establish a TREC Rate as a new rate component of its Rider RRC, effective upon Board approval.

2. The Parties agree that JCP&L's projected revenue requirement for June 1, 2020 through September 30, 2021 is \$11,560,182 based on its proportionate share (28.37%) of the estimated costs and expenses of the procurement of TRECs and the TREC Administrator fee, as well as any other reasonable costs incurred as a result of the Company's participation in the TREC program. The projected amount of these expenditures will be trued-up in a subsequent annual Rider RRC filing. JCP&L will defer its reasonably and prudently incurred costs associated with disposition of its TREC obligations prior to the issuance of a Board order and recover such costs in the initial rate period.

3. The Parties agree that JCP&L may implement an initial TREC Rate of \$0.000523 per kilowatt-hour, exclusive of Sales and Use Tax ("SUT") (which is a TREC rate of \$0.000558, inclusive of SUT) based on the Company's projected revenue requirement. See **Attachments A through D** hereto, which set forth the calculation of JCP&L's projected revenue requirement and the resulting proposed TREC Rate.

4. The Parties agree that the rates established herein are based upon forecasted costs. All costs associated with the TREC program, including those forecasted for the previous year are subject to review by the parties in annual Rider RRC filings.

5. Monthly revenue requirements will be based upon actual costs with over/under recoveries from revenue collected being tracked with interest and included when rates are reset in the Company's future Rider RRC filings. The accrual of interest on the unamortized balance (net of deferred taxes), including any over or under-recovered amounts, will be calculated at the rate and in the manner provided for in the Company's Rider RRC Tariff. See **Attachment E**, which is a copy of JCP&L's proposed Rider RRC Tariff sheet after Board approval of the TREC Rate.

6. Based on the Company's filing, the average monthly bill of a typical residential customer using 768 kilowatt-hours per month will increase by \$0.43, or 0.4%.

7. The Parties agree that, upon the effective date of the Board's written Order approving this Stipulation, all elements of the JCP&L Initial TREC Rate Filing shall be deemed closed and resolved.

### **CONCLUSION**

8. 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.

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

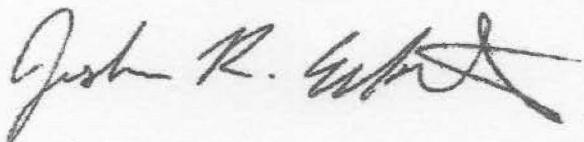
a. By executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation, except where the terms of this Stipulation supersede such prior Stipulation; and

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.

10. 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.

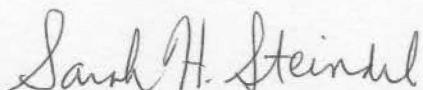
WHEREFORE, the Parties hereto have duly executed and do respectfully submit this Stipulation to the Board, and recommend that the Board issue a Final Decision and Order adopting and approving this Stipulation in its entirety in accordance with the terms hereof.

**JERSEY CENTRAL POWER & LIGHT COMPANY**



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

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



By:  
**Sarah H. Steindel,**  
Assistant Deputy Rate Counsel,

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



By:  
Terel Klein  
Deputy Attorney General

### Jersey Central Power & Light Company ("JCP&L") Transition Renewable Energy Certificate (TREC) Program Revenue Requirements Calculation

NJ EDC TREC Revenue Requirement																					
TREC Price (\$/MWh) <span style="color: blue;">\$152.00</span>										Annual Administrator Fee <span style="background-color: yellow;">\$900,000</span>					JCP&L Share	28.37%					
				Solar System Allocation Percentages and TREC Price Multipliers <sup>5</sup>																	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)			(14)	(15)	(16)				
Program Assumption	Program Assumption	Program Assumption	Col 2 * Col 3	Program Assumption	Program Assumption	Program Assumption	(((Factor Col 5) * Col 5 + [Factor Col 6] * Col 6 + [Factor Col 7] * Col 7) * [TREC Price] * Col 4	Prior Col 10 + Col 8	Sum of Column 4 per Col 9	Program Assumption	Col 8 + Col 12	Col 13 x JCP&L Share per Month	Program Assumption	Col 14 + Col 15							
Calendar	New TI Project Capacity by Month's End (MWdc)	Effective Generating Capacity (MWdc)	Production Rate Estimate (MWh/MWdc)	TRECs Created (MWh)	Sub r Roof & NM NR	Community Solar	Sub r Grnd, Resi Grnd & roof, NM NR Grnd	TREC Procurement Payments (\$)	Cumulative TREC Cost / Energy Year (\$)	TRECs / Energy Year (MWh)	TREC Administrator Fee (\$)	TREC Procurement Payment + Administrator Fee (\$)	Month	TREC Procurement Payments + Admin Fee - JCP&L Share	Other Expenses	Revenue Requirement					
Year	Month	(MWdc)	(MWdc)	(MWh/MWdc)	(MWh)	1.00	0.85	0.6	(\$)	EY	(\$)	(MWh)	(\$)	(\$)	(\$)	(\$)					
1	2020	July	30	5	123	615	36%	0%	64%		\$69,549	21	\$69,549	\$75,000	\$144,549	1	Jul-20	\$41,015	\$0	\$41,015	
2	2020	August	40	40	115	4,600	36%	0%	64%		\$520,205	21	\$589,754	\$75,000	\$595,205	2	Aug-20	\$168,886	\$0	\$168,886	
3	2020	September	35	80	100	8,000	46%	0%	54%		\$953,344	21	\$1,543,098	\$75,000	\$1,028,344	3	Sep-20	\$291,787	\$0	\$291,787	
4	2020	October	30	110	84	9,240	36%	0%	64%		\$1,044,933	21	\$2,588,031	\$75,000	\$1,119,933	4	Oct-20	\$317,775	\$0	\$317,775	
5	2020	November	35	145	67	9,715	36%	0%	64%		\$1,098,650	21	\$3,686,681	\$75,000	\$1,173,650	5	Nov-20	\$333,017	\$0	\$333,017	
6	2020	December	30	180	58	10,440	46%	0%	54%		\$1,244,114	21	\$4,930,795	\$75,000	\$1,319,114	6	Dec-20	\$374,292	\$0	\$374,292	
<b>2020 YTD</b>				<b>200</b>		<b>42,610</b>					<b>\$4,930,795</b>			<b>\$450,000</b>	<b>\$5,380,795</b>						
7	2021	January	30	220	72	15,840	34%	12%	54%		\$1,844,283	21	\$6,775,078	\$75,000	\$1,919,283	7	Jan-21	\$544,586	\$0	\$544,586	
8	2021	February	20	240	84	20,160	34%	12%	54%		\$2,347,269	21	\$9,122,347	\$75,000	\$2,422,269	8	Feb-21	\$687,306	\$0	\$687,306	
9	2021	March	30	270	102	27,540	40%	12%	47%		\$3,281,887	21	\$12,404,234	\$75,000	\$3,356,887	9	Mar-21	\$952,499	\$0	\$952,499	
10	2021	April	20	290	113	32,770	34%	12%	54%		\$3,815,477	21	\$16,219,710	\$75,000	\$3,890,477	10	Apr-21	\$1,103,902	\$0	\$1,103,902	
11	2021	May	20	310	118	36,580	34%	12%	54%		\$4,259,083	21	\$20,478,793	175,500	\$75,000	\$4,334,083	11	May-21	\$1,229,773	\$0	\$1,229,773
12	2021	June	15	325	118	38,350	46%	12%	47%		\$4,919,845	22	\$4,919,845	\$75,000	\$4,994,845	12	Jun-21	\$1,417,261	\$0	\$1,417,261	
13	2021	July	15	340	123	41,820	34%	12%	54%		\$4,869,186	22	\$9,789,031	\$75,000	\$4,944,186	13	Jul-21	\$1,402,886	\$0	\$1,402,886	
14	2021	August	20	360	115	41,400	34%	12%	54%		\$4,820,285	22	\$14,609,316	\$75,000	\$4,895,285	14	Aug-21	\$1,389,011	\$0	\$1,389,011	
15	2021	September	20	380	100	38,000	40%	12%	47%		\$4,528,384	22	\$19,137,700	\$75,000	\$4,603,384	15	Sep-21	\$1,306,186	\$0	\$1,306,186	
16	2021	October	20	400	84	33,600	34%	12%	54%		\$3,912,115	22	\$23,049,815	\$75,000	\$3,987,115	16	Oct-21	\$1,131,323	\$0	\$1,131,323	
17	2021	November	15	415	67	27,805	34%	12%	54%		\$3,237,392	22	\$26,287,207	\$75,000	\$3,312,392	17	Nov-21	\$939,873	\$0	\$939,873	
18	2021	December	7	422	58	24,476	41%	12%	47%		\$2,953,959	22	\$29,241,166	\$75,000	\$3,028,959	18	Dec-21	\$859,451	\$0	\$859,451	
<b>2021 YTD</b>				<b>232</b>		<b>378,341</b>					<b>\$44,789,164</b>			<b>\$900,000</b>	<b>\$45,689,164</b>						
19	2022	January	0	432	72	31,104	41%	12%	47%		\$3,753,880	22	\$32,995,046	\$75,000	\$3,828,880	19	Jan-22	\$1,086,424	\$0	\$1,086,424	
20	2022	February	0	432	84	36,288	41%	12%	47%		\$4,379,526	22	\$37,374,572	\$75,000	\$4,454,526	20	Feb-22	\$1,263,948	\$0	\$1,263,948	
21	2022	March	0	432	102	44,064	41%	12%	47%		\$5,317,996	22	\$42,692,568	\$75,000	\$5,392,996	21	Mar-22	\$1,530,234	\$0	\$1,530,234	
22	2022	April	0	432	113	48,816	41%	12%	47%		\$5,891,505	22	\$48,584,073	\$75,000	\$5,966,505	22	Apr-22	\$1,692,964	\$0	\$1,692,964	
23	2022	May	0	432	118	50,976	41%	12%	47%		\$6,152,191	22	\$54,736,265	456,699	\$75,000	\$6,227,191	23	May-22	\$1,766,932	\$0	\$1,766,932
24	2022	June	0	432	118	50,976	41%	12%	47%		\$6,152,191	23	\$6,152,191	\$75,000	\$6,227,191	24	Jun-22	\$1,766,932	\$0	\$1,766,932	
25	2022	July	0	432	123	53,136	41%	12%	47%		\$6,412,878	23	\$12,565,069	\$75,000	\$6,487,878	25	Jul-22	\$1,840,901	\$0	\$1,840,901	
26	2022	August	0	432	115	49,680	41%	12%	47%		\$5,995,780	23	\$18,560,849	\$75,000	\$6,070,780	26	Aug-22	\$1,722,551	\$0	\$1,722,551	
27	2022	September	0	432	100	43,200	41%	12%	47%		\$5,213,722	23	\$23,774,570	\$75,000	\$5,288,722	27	Sep-22	\$1,500,647	\$0	\$1,500,647	
28	2022	October	0	432	84	36,288	41%	12%	47%		\$4,379,526	23	\$28,154,097	\$75,000	\$4,454,526	28	Oct-22	\$1,263,948	\$0	\$1,263,948	
29	2022	November	0	432	67	28,944	41%	12%	47%		\$3,493,193	23	\$31,647,290	\$75,000	\$3,568,193	29	Nov-22	\$1,012,456	\$0	\$1,012,456	
30	2022	December	0	432	58	25,056	41%	12%	47%		\$3,023,959	23	\$34,671,249	\$75,000	\$3,098,959	30	Dec-22	\$879,313	\$0	\$879,313	
<b>2022 YTD</b>				<b>0</b>		<b>498,528</b>					<b>\$60,166,347</b>			<b>\$900,000</b>	<b>\$61,066,347</b>						
31	2023	January	0	432	72	31,104	41%	12%	47%		\$3,753,880	23	\$38,425,128	\$75,000	\$3,828,880	31	Jan-23	\$1,086,424	\$0	\$1,086,424	
32	2023	February	0	432	84	36,288	41%	12%	47%		\$4,379,526	23	\$42,804,654	\$75,000	\$4,454,526	32	Feb-23	\$1,263,948	\$0	\$1,263,948	
33	2023	March	0	432	102	44,064	41%	12%	47%		\$5,317,996	23	\$48,122,650	\$75,000	\$5,392,996	33	Mar-23	\$1,530,234	\$0	\$1,530,234	
34	2023	April	0	432	113	48,816	41%	12%	47%		\$5,891,505	23	\$54,014,156	\$75,000	\$5,966,505	34	Apr-23	\$1,692,964	\$0	\$1,692,964	
35	2023	May	0	432	118	50,976	41%	12%	47%		\$6,152,191	23	\$60,166,347	498,528	\$75,000	\$6,227,191	35	May-23	\$1,766,932	\$0	\$1,766,932
36	2023	June	0	432	118	50,976	41%	12%	47%		\$6,152,191	24	\$6,152,191	50,976	\$75,000	\$6,227,191	36	Jun-23	\$1,766,932	\$0	\$1,766,932
<b>2023 YTD</b>				<b>0</b>		<b>262,224</b>					<b>\$31,647,290</b>			<b>\$1,650,000</b>	<b>\$109,574,037</b>						
<b>Three Year Totals</b>				<b>432</b>	<b>432</b>	<b>1,181,703</b>					<b>\$141,533,596</b>		<b>\$141,533,596</b>	<b>1,181,703</b>	<b>\$6,600,000</b>	<b>\$365,943,940</b>					

**Transition Renewable Energy Certificate (TREC) Program  
Actual Billed Sales (kWh)  
by Electric Distributon Company ("EDC")**

Mo.#	1	2	3	4	5	6	7	8	9	10	11	12		
Year	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019		%
Month	January	February	March	April	May	June	July	August	September	October	November	December	Total	of Total
PSE&G	3,472,005,204	3,351,621,056	3,202,163,059	2,923,580,867	2,822,983,863	3,248,911,858	4,133,299,028	4,325,839,886	3,745,915,833	3,151,586,382	2,927,014,413	3,336,064,044	40,640,985,493	57.12%
JCP&L	1,812,110,003	1,679,817,468	1,575,269,797	1,390,698,301	1,355,704,052	1,571,256,544	2,050,540,188	2,262,213,672	1,951,237,791	1,568,621,399	1,372,331,356	1,599,589,737	20,189,390,308	28.37%
ACE	749,418,969	678,560,889	655,578,040	586,121,430	592,639,954	701,061,303	955,470,107	1,040,966,487	917,258,921	667,991,887	596,450,488	656,071,962	8,797,590,437	12.36%
RECO	127,661,261	114,237,067	104,885,088	109,253,614	110,132,430	123,975,834	168,634,790	173,412,533	141,636,572	117,380,024	114,699,379	119,500,727	1,525,409,319	2.14%
<b>Total</b>	<b>6,161,195,437</b>	<b>5,824,236,480</b>	<b>5,537,895,984</b>	<b>5,009,654,212</b>	<b>4,881,460,299</b>	<b>5,645,205,539</b>	<b>7,307,944,113</b>	<b>7,802,432,578</b>	<b>6,756,049,117</b>	<b>5,505,579,692</b>	<b>5,010,495,636</b>	<b>5,711,226,470</b>	<b>71,153,375,557</b>	<b>100.00%</b>

Jersey Central Power & Light Company  
 2018 RGGI Recovery Charge - Rider RRC Filing  
 Transition Renewable Energy Certificate ("TREC") Program  
 Proposed Rate Calculations  
 Expenditures For the Period July 2020 through Sept.2021  
 Proposed Rate Effective September 1, 2020

<b>Calculation of a Proposed Increase in Rider RRC Composite Rate</b>	Effective Sept.1, 2020	Refer to Attachment D
<b>Computation of Initial Rider RRC - TREC Program Tariff Rate</b>		
1 TREC Revenue Requirements (July 2020 through September 2021)	\$ 11,560,182.00	Line 3
2 Add: Forecast TREC Program Costs Incurred Prior to July 1, 2020	-	Line 6
3 Total TREC Revenue Requirements (July 2020 through September 2021)	\$ 11,560,182.00	L2 + L3
4 Forecast MWh Retail Sales for the 13 Months Ended September 30, 2021	22,118,184	Line 1
5 Proposed Rider RRC-TREC before SUT (\$/kWh) at Sept.1, 2020	\$ 0.000523	L4 ÷ L5 ÷ 1000

**Jersey Central Power & Light Company ("JCP&L")  
Transition Renewable Energy Certificate (TREC) Program  
Forecast (Over)/Under Calculation  
For the Period July 2020 to Sept.2021**

Attachment D

Page 1 of 2

Line #	TREC (Over)/Under Calculation	Formulae	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021
1	Forecast Monthly Rider RRC Sales (in kWh)		-	-	1,958,624,158	1,563,738,651	1,418,375,420	1,528,060,347	1,819,146,815	1,674,642,210
2	Proposed TREC Rate effective 9/1/2020 in (\$/kWh)		\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523
3	TREC Revenue	L1 × L2	\$ -	\$ -	\$ 1,023,685	\$ 817,296	\$ 741,321	\$ 798,649	\$ 950,786	\$ 875,260
4	Revenue Requirements		41,015	168,886	291,787	317,775	333,017	374,292	544,586	687,306
5	Monthly Over/(Under) Recovery	L3 - L4	\$ (41,015)	\$ (168,886)	\$ 731,898	\$ 499,521	\$ 408,304	\$ 424,357	\$ 406,200	\$ 187,954
6	Beginning Deferred TREC Program Costs Balance *		-	(41,015)	(209,901)	521,997	1,021,518	1,429,822	1,854,179	2,260,379
7	Ending Deferred TREC Program Costs Balance	L5 + L6	\$ (41,015)	\$ (209,901)	\$ 521,997	\$ 1,021,518	\$ 1,429,822	\$ 1,854,179	\$ 2,260,379	\$ 2,448,333
<b>Computation of Interest on Over/Under Recovery</b>										
8	Average Deferred TREC Program Costs Balance	(L6 + L7) ÷ 2	\$ (20,508)	\$ (125,458)	\$ 156,048	\$ 771,758	\$ 1,225,670	\$ 1,642,001	\$ 2,057,279	\$ 2,354,356
9	Combined Tax Rate %		28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%
10	Accumulated Deferred RRC Income Taxes	L8 × L9	\$ (5,765)	\$ (35,266)	\$ 43,865	\$ 216,941	\$ 344,536	\$ 461,566	\$ 578,301	\$ 661,809
11	AVERAGE RRC Principal Balance Excl.Dfd.Taxes	L9 - L10	\$ (14,743)	\$ (90,192)	\$ 112,183	\$ 554,816	\$ 881,134	\$ 1,180,434	\$ 1,478,978	\$ 1,692,547
12	Multiply by: Total Rider RRC Program Interest Rate		0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
13	Divided By: Months Per Year		12	12	12	12	12	12	12	12
14	Interest (Income)/Expense	(L11×L12)÷L13	\$ (10)	\$ (62)	\$ 78	\$ 384	\$ 609	\$ 816	\$ 1,023	\$ 1,171
15	Beginning Deferred TREC Program Costs Balance		-	(10)	(72)	6	390	999	1,815	2,838
16	Ending Deferred TREC Program Costs Balance	L14 + L15	\$ (10)	\$ (72)	\$ 6	\$ 390	\$ 999	\$ 1,815	\$ 2,838	\$ 4,009
17	Ending Deferred TREC Program Costs Balance Incl.Interest	L7 + L16	\$ (41,025)	\$ (209,973)	\$ 522,003	\$ 1,021,908	\$ 1,430,821	\$ 1,855,994	\$ 2,263,217	\$ 2,452,342

\* TREC Program Costs Incurred prior to July 1, 2020 per Line 2, Attachment C

**Jersey Central Power & Light Company ("JCP&L")  
Transition Renewable Energy Certificate (TREC) Program  
Forecast (Over)/Under Calculation  
For the Period July 2020 to Sept.2021**

Line #	TREC (Over)/Under Calculation	Formulae	March 2021	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	Totals July 2020 to Sept.2021
1	Forecast Monthly Rider RRC Sales (in kWh)		1,562,278,319	1,423,842,902	1,413,711,611	1,648,376,895	1,998,195,139	2,165,467,886	1,943,723,534	22,118,183,887
2	Proposed TREC Rate effective 9/1/2020 in (\$/kWh)		\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523	\$ 0.000523
3	TREC Revenue	L1 × L2	\$ 816,533	\$ 744,179	\$ 738,884	\$ 861,533	\$ 1,044,367	\$ 1,131,793	\$ 1,015,897	\$ 11,560,183
4	Revenue Requirements		952,499	1,103,902	1,229,773	1,417,261	1,402,886	1,389,011	1,306,186	11,560,182
5	Monthly Over/(Under) Recovery	L3 - L4	\$ (135,966)	\$ (359,723)	\$ (490,889)	\$ (555,728)	\$ (358,519)	\$ (257,218)	\$ (290,289)	\$ 1
6	Beginning Deferred TREC Program Costs Balance *		2,448,333	2,312,367	1,952,644	1,461,755	906,027	547,508	290,290	-
7	Ending Deferred TREC Program Costs Balance	L5 + L6	\$ 2,312,367	\$ 1,952,644	\$ 1,461,755	\$ 906,027	\$ 547,508	\$ 290,290	\$ 1	\$ 1
<b>Computation of Interest on Over/Under Recovery</b>										
8	Average Deferred TREC Program Costs Balance	(L6 + L7) ÷ 2	\$ 2,380,350	\$ 2,132,506	\$ 1,707,200	\$ 1,183,891	\$ 726,768	\$ 418,899	\$ 145,146	
9	Combined Tax Rate %		28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	28.110%	
10	Accumulated Deferred RRC Income Taxes	L8 × L9	\$ 669,116	\$ 599,447	\$ 479,894	\$ 332,792	\$ 204,294	\$ 117,753	\$ 40,800	
11	AVERAGE RRC Principal Balance Excl.Dfd.Taxes	L9 - L10	\$ 1,711,234	\$ 1,533,058	\$ 1,227,306	\$ 851,099	\$ 522,473	\$ 301,146	\$ 104,345	
12	Multiply by: Total Rider RRC Program Interest Rate		0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	
13	Divided By: Months Per Year		12	12	12	12	12	12	12	
14	Interest (Income)/Expense	(L11×L12)÷L13	\$ 1,184	\$ 1,060	\$ 849	\$ 589	\$ 361	\$ 208	\$ 72	\$ 8,332
15	Beginning Deferred TREC Program Costs Balance		4,009	5,193	6,253	7,102	7,691	8,052	8,260	-
16	Ending Deferred TREC Program Costs Balance	L14 + L15	\$ 5,193	\$ 6,253	\$ 7,102	\$ 7,691	\$ 8,052	\$ 8,260	\$ 8,332	\$ 8,332
17	Ending Deferred TREC Program Costs Balance Incl.Interest	L7 + L16	\$ 2,317,560	\$ 1,958,897	\$ 1,468,857	\$ 913,718	\$ 555,560	\$ 298,550	\$ 8,333	\$ 8,333

\* TREC Program Costs Incurred prior to July 1, 2020 per Line 2, Attachment C

**ATTACHMENT E**

**PROPOSED RIDER RRC TARIFF SHEET**

