

NOTICE TO JERSEY CENTRAL POWER & LIGHT COMPANY CUSTOMERS

Notice of Filing and Public Hearings for Basic Generation Service Charges Procured by JCP&L on behalf of its Basic Generation Service Customers and

Notice of Proposed Recovery through its Basic Generation Service Charges of Costs Resulting from Statewide Auction for Basic Generation Service In The Matter Of The Provision Of Basic Generation Service For The Period Beginning June 1, 2021 BPU Docket No. ER20030190

TAKE NOTICE that on July 1, 2020, Jersey Central Power & Light Company (“JCP&L”) filed a proposal [Annual Proposal for Basic Generation Service (“BGS”) Requirements to be Procured Effective June 1, 2021] with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board approve the procurement of BGS supply through a statewide competitive auction process, with new BGS charges to become effective June 1, 2021. The Board docketed this matter as BPU Docket No. ER20030190. BGS is provided to all JCP&L customers who do not procure their electric supply requirements from a third-party supplier.

The Board mandates that the New Jersey Electric Distribution Companies (“EDCs”), including JCP&L, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act (“Act”). BGS is currently procured through a statewide competitive auction process in which all the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and found that this auction process meets the statutory requirements of the Act. The Company’s Annual Proposal for BGS Requirements to be Procured Effective June 1, 2021 is available at www.bgs-auction.com/bgs.auction.regproc.asp.

The final price for Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) supply resulting from the BGS-RSCP auction conducted in 2020 was 7.243 cents per kilowatt-hour, including Federal Energy Regulatory Commissioner (“FERC”) approved transmission charges, for a 36-month supply period. This final price was blended with the prices procured for the previous two auctions to develop the BGS-RSCP rate paid by BGS-RSCP customers beginning June 1, 2020. For the Basic Generation Service – Commercial and Industrial Energy Pricing (“BGS-CIEP”) auction conducted in 2020, the Generation Capacity Charge cleared at \$321.00 per MW-day.

The final prices for the BGS supply procured in the 2021 BGS-RSCP and BGS-CIEP auctions may be higher or lower than the auction clearing prices obtained in the 2020 auction. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auctions, consistent with market conditions. In the Petition pending before the Board, the EDCs propose that BGS rates for the upcoming BGS auction will exclude applicable transmission charges set by the FERC. JCP&L has requested that the EDCs be permitted to procure transmission on behalf of the BGS customers going forward instead of the BGS Suppliers and that transmission charges be broken out as a separate component of total BGS-RSCP supply rates. BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in these FERC-approved transmission charges. If the Board approves the EDCs’ request to exclude transmission costs from BGS,

the 2021 prices will appear lower because transmission will not be included in the 2021 auction prices.

Customer classes eligible to be served under the BGS-RSCP rate include customers served under JCP&L’s distribution rate schedules RS, RT, RGT, OL, SVL, MVL, ISL and LED, and customers served under JCP&L’s distribution rate schedules GS and GST with a peak load share of less than 500 kW. JCP&L customers served under distribution rate schedules GS and GST with a peak load share of 500 kW or greater, and JCP&L customers served under distribution rate schedules GP and GT, are only eligible to be served under the BGS-CIEP rate.

Due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and time so that members of the public may present their views. The hearing will continue until all public witnesses are heard. Information provided at the public hearing will become part of the record of this case and will be considered by the Board in making its decision.

Date: September 21, 2020

Time: 1:00 P.M.

Dial In: 877-332-6631

Passcode: 2853961#

Representatives of JCP&L, Board Staff and the Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the dial-in information set forth above and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. The Board is also accepting written and emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. Email comments should be submitted to: board.secretary@bpu.nj.gov. Please include the name of the Petitioner and the docket number when submitting comments. Written and emailed comments will be provided the same weight as statements made at the hearing. Hearings will continue, if necessary, on such additional dates and at such locations as the Board may designate, to ensure that all interested persons are heard.

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on September 11, 2020, beginning at 10:00 AM, regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs’ BGS proposal shortly thereafter. The Board’s Agenda Meeting schedules can be found at nj.gov/bpu.

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