



Agenda Date: 7/23/14  
Agenda Item: 2C

**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 VERIFIED PETITION OF JERSEY )	ORDER APPROVING
CENTRAL POWER & LIGHT COMPANY FOR )	STIPULATION
APPROVAL OF MODIFICATIONS TO ITS TARIFF )	
SHEETS FOR SERVICE CLASSIFICATION OL – )	DOCKET NO. ET13040271
OUTDOOR LIGHTING SERVICE )	OAL DOCKET NO. PUC 08055-13

**Parties of Record:**

**Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel  
**Gregory Eisenstark, Esq. Morgan, Lewis & Bockius, LLP**, on behalf of Jersey Central Power & Light Company

BY THE BOARD:

On April 1, 2013, Jersey Central Power & Light Company (“JCP&L” or “the Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) to update the Company’s Tariff for “Service Classification OL - Outdoor Lighting Service” (“OL”) to provide a new area lighting service using High Pressure Sodium (“HPS”) fixtures.

**BACKGROUND AND PROCEDURAL HISTORY**

According to JCP&L, the current OL tariff includes two lighting types: mercury vapor (“MV”) area lighting and sodium vapor (“SV”) flood lighting. The Company states that the MV area lighting equipment is no longer commercially available to replace or support existing MV equipment that fails. Therefore, JCP&L is also proposing to revise the terms of the OL tariff so that MV area lighting service will be removed when MV lighting fixtures fail or otherwise become inoperable. In addition to the new HPS offering, the current tariff also offers three sodium vapor flood lights, providing former MV area lighting customers with a variety of options. JCP&L also states that alternatively customers may own and install outdoor lights of their choosing.

JCP&L is proposing to add HPS area lighting service in the OL tariff. Specifically, the Company proposes to add two HPS area lights – 70 watts and 100 watts – to its OL tariff offerings, effective with the Board’s approval. The HPS offerings would be available to JCP&L customers with the same terms and conditions as in the existing OL tariff.

The proposed monthly fixture charge for the HPS service would be \$9.98 (including sales and use tax), and the billing month kWh would be 35 kWh for the 70 watts light and 48 kWh for the 100 watts light. The billing month kWh is based on standard illumination schedule of 4,200 hours per year, and according to the Company, that derivation is consistent with the current Board-approved OL tariff.

JCP&L asserts that this is a new tariff offering for a type of outdoor lighting service that the Company does not currently offer. The Company states that this tariff offering is not being filed because of the need for additional revenue from products or services covered by existing tariffs; and, it does not propose increases in charges to customers.

On June 11, 2013, the Board transmitted the filing to the Office of Administrative Law ("OAL"), requesting that the matter be consolidated with JCP&L's pending base rate case (BPU Docket No. ER12111052 and OAL Docket No. PUC 16310-2012N). It was subsequently assigned to the Honorable Administrative Law Judge ("ALJ"), Richard McGill. By letter dated July 16, 2013, the Board withdrew the request to consolidate this filing with the base rate case. ALJ McGill held a prehearing conference on July 17, 2013 and issued a Prehearing Order dated July 26, 2013. On November 7, 2013, Judge McGill approved a procedural schedule that the Parties had consented to, and an evidentiary hearing was scheduled for January 15, 2014.

The parties in this matter, JCP&L, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff (collectively, "Parties"), engaged in an extensive discovery process and JCP&L responded to numerous data requests and has informally provided additional data and information in connection with this proceeding. The Parties have also engaged in detailed settlement conferences, and reached agreement on all relevant issues in this proceeding entering into a stipulation settling this matter dated June 25, 2014 ("Stipulation").

On July 1, 2014, ALJ McGill issued an Initial Decision approving the Stipulation pursuant to N.J.A.C. 1:1-19.1, finding that the settlement is voluntary, consistent with the law, and fully disposes of all issues in controversy.

## **STIPULATION**

Under the terms of the Stipulation, the Parties have agreed to the following:

1. JCP&L should be authorized to add HPS area lighting service in the OL tariff. Specifically, the Company should be authorized to add two HPS area lights – 70 watts and 100 watts – to its OL tariff offerings, effective with the Board's approval. The HPS offerings will be available to JCP&L customers with the same terms and conditions as in the existing OL tariff.
2. The proposed monthly fixture charge for the HPS service shall be \$9.98 (including sales and use tax), and the billing month kWh shall be 35 kWh and 48 kWh for the 70 watts light and the 100 watts light, respectively. The billing month kWh is based on standard illumination schedule of 4,200 hours per year, which is consistent with the current Board-approved OL tariff.
3. The revised tariff sheets for Service Classification OL- Outdoor Lighting Service, which are attached to the Stipulation as Attachment A, should be approved.

**DISCUSSION AND FINDING**

The Board has carefully reviewed the record in this matter. The Board is satisfied and **HEREBY FINDS** that the Stipulation is reasonable and is in the public interest and in accordance with the law as it allows the Company to update its Tariff to accommodate changes in technology.

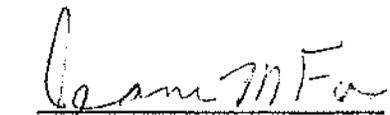
Accordingly, the Board **HEREBY ADOPTS** the Initial Decision and attached Stipulation as its own, incorporating by reference the terms and conditions as if fully set forth herein and **HEREBY APPROVES** the Company's revised tariff sheets for Service Classification OL - Outdoor Lighting Service, effective as of August 1, 2014.

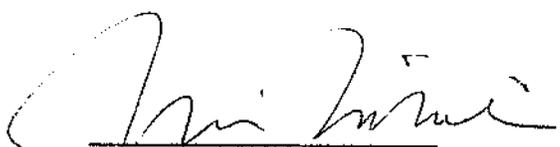
The Board **HEREBY ORDERS** JCP&L to file tariffs sheets in compliance with this Order within three business days of service of this Order.

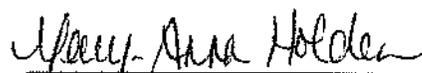
DATED: 7/23/14

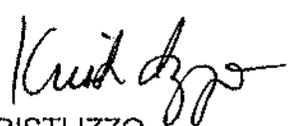
BOARD OF PUBLIC UTILITIES  
BY:

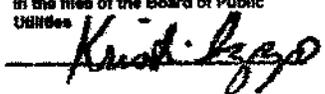
  
DIANNE SOLOMON  
PRESIDENT

  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY ANNA HOLDEN  
COMMISSIONER

ATTEST:   
KRISTI IZZO  
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 VERIFIED PETITION OF JERSEY CENTRAL POWER & LIGHT  
COMPANY FOR APPROVAL OF MODIFICATIONS TO ITS TARIFF SHEETS FOR SERVICE  
CLASSIFICATION OL – OUTDOOR LIGHTING SERVICE  
DOCKET NO. ET13040271 and OAL DOCKET NO. PUC 08055-13

SERVICE LIST

Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP  
89 Headquarters Plaza North, Suite 1453 |  
Morristown, NJ 07960

Stefanie A. Brand, Esq., Director  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003

Alex Moreau, DAG  
Carolyn McIntosh, DAG  
Babette Tenzer, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029

Jerome May, Director  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Rosalie Serapiglia, Manager  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Alice Bator, Chief  
Bureau of Rates and Tariffs  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Nnajindu Ugoji  
Administrative Analyst I  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Thomas Walker, Chief  
Bureau of Engineering  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

David Ballengee  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350



**State of New Jersey**  
OFFICE OF ADMINISTRATIVE LAW

**INITIAL DECISION**

**SETTLEMENT**

OAL DKT. NO. PUC 08055-13

BPU DKT. NO. ET13040271

IN THE MATTER OF THE VERIFIED PETITION OF  
JERSEY CENTRAL POWER & LIGHT COMPANY  
FOR APPROVAL OF MODIFICATIONS TO ITS  
TARIFF SHEETS FOR SERVICE CLASSIFICATION  
OL – OUTDOOR LIGHTING SERVICE.

---

Gregory Eisenstark, Esq., for Jersey Central Power & Light Company (Morgan,  
Lewis & Bockius, LLP, attorneys)

Ami Morita, Deputy Rate Counsel, Kurt S. Lewandowski, Assistant Deputy  
Rate Counsel, and James W. Glassen, Assistant Deputy Rate Counsel,  
for the Division of Rate Counsel (Stephanie A. Brand, Director of the  
Division of Rate Counsel, attorney)

Carolyn McIntosh, Deputy Attorney General, and Alex Moreau, Deputy  
Attorney General, for the Staff of the New Jersey Board of Public Utilities  
(John J. Hoffman, Acting Attorney General of New Jersey, attorney)

Record Closed: June 30, 2014

Decided: July 1, 2014

BEFORE RICHARD McGILL, ALJ:

On March 29, 2013, Jersey Central Power & Light Company filed with the New Jersey Board of Public Utilities a verified petition seeking approval of modifications to its tariff for Service Classification OL – Outdoor Lighting Service. The matter was transmitted to the Office of Administrative Law on June 11, 2013, for determination as a contested case.

Prior to the hearing, the parties submitted a Stipulation of Settlement, which resolves all issues in this proceeding. Having reviewed the record and the settlement terms, I **FIND** as follows:

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or the signatures of their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with the law.

Therefore, I **CONCLUDE** that the agreement meets the requirements of N.J.A.C. 17:27-19.1 and that the settlement should be approved. Accordingly, it is **ORDERED** that the parties comply with the terms of the settlement, and it is **FURTHER ORDERED** that the proceedings in this matter be concluded.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the BOARD OF PUBLIC UTILITIES, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

July 1, 2014  
DATE

Richard McGill  
RICHARD MCGILL, ALJ

Date Received at Agency: \_\_\_\_\_

Date Mailed to Parties: \_\_\_\_\_

ljb

Morgan, Lewis & Bockius LLP  
89 Headquarters Plaza North  
Suite 1453  
Morristown, NJ 07960  
Fax: 877.432.9652  
www.morganlewis.com

**Morgan Lewis**

C-O-U-N-S-E-L-O-R-S A-T L-A-W  
A Pennsylvania Limited Liability Partnership

RANDALL B. SUNBERG  
Partner-in-Charge

2014 JUN 30 A 11:56

STATE OF NEW JERSEY  
SERVICE LIST

Gregory Eisenstark  
609.919.3134  
geisenstark@morganlewis.com

June 25, 2014

**Via E-Mail and Regular Mail**

Hon. Richard McGill, ALJ  
Office of Administrative Law  
33 Washington Street  
Newark, NJ 07102

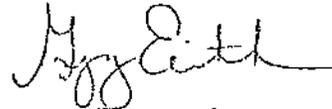
Re: I/M/O the Verified Petition of JCP&L for Approval of Modifications to its Tariff Sheet  
for Service Classification OL - Outdoor Lighting Service  
BPU Docket No. ET13040271  
OAL Docket No. PUC 8055-13

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Dear Judge McGill:

Enclosed for filing on behalf of Jersey Central Power & Light Company ("JCP&L"), please find a Stipulation of Settlement that has been executed by all the parties and that fully-resolves the above-captioned matter. JCP&L requests that Your Honor issue an Initial Decision approving the Stipulation of Settlement.

Respectfully Submitted,



Gregory Eisenstark

Encl.  
c: Service List

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES  
OFFICE OF ADMINISTRATIVE LAW

RECEIVED  
2014 JUN 30 A 11:56

STATE OF NEW JERSEY  
OFFICE OF ADMINISTRATIVE LAW

\_\_\_\_\_  
In the Matter of the Verified Petition of Jersey :  
Central Power & Light Company for Approval :  
of Modifications to its Tariff Sheets for Service :  
Classification OL – Outdoor Lighting Service :  
\_\_\_\_\_  
: BPU Docket No. ET13040271  
: OAL Docket No. PUC 8055-13

STIPULATION  
OF  
SETTLEMENT

**TO THE HONORABLE RICHARD McGILL, ALJ:**

**APPEARANCES:**

**Gregory Eisenstark, Esq.** (Morgan, Lewis & Bockius LLP, attorneys) for the Petitioner, Jersey Central Power & Light Company

**Ami Morita, Esq.**, Deputy Rate Counsel, **Kurt Lewandowski, Esq.**, Assistant Deputy Rate Counsel and **James Glassen, Esq.**, Assistant Deputy Rate Counsel, Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director)

**Carolyn McIntosh and Alex Moreau**, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

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

The Parties do hereby join in recommending that the ALJ issue an Initial Decision approving the Stipulation and that, thereafter, the Board of Public Utilities ("Board") issue an Order approving the Initial Decision and the Stipulation, based upon the following stipulations:

## Background

On March 29, 2013, pursuant to N.J.A.C. 14:1-5.11, JCP&L filed with the Board a Verified Petition, including supporting attachments, under Docket No. ET13040271. The purpose of the filing was to update the Company's Tariff for "Service Classification OL -- Outdoor Lighting Service" ("OL") to provide a new area lighting service using High Pressure Sodium ("HPS") fixtures. As the filing stated, the current OL tariff includes two lighting types: mercury vapor (MV) area lighting and sodium vapor (SV) flood lighting. The MV area lighting equipment is no longer commercially available to replace or support existing MV equipment that fails. Therefore, JCP&L is also proposing to revise the terms of the OL tariff so that MV area lighting service will be removed when MV lighting fixtures fail or otherwise become inoperable. In addition to the new HPS offering, the current tariff also offers three sodium vapor flood lights, providing former MV area lighting customers with a variety of options. Alternatively, customers may own and install outdoor lights of their choosing.

On June 11, 2013, the Board transmitted the filing to the Office of Administrative Law ("OAL"), and thereby requested that this matter be consolidated with JCP&L's pending base rate case (BPU Docket No. ER12111052 and OAL Docket No. PUC 16310-2012N) at the OAL, where it was subsequently assigned to the Honorable Richard McGill, ALJ. By letter dated July 16, 2013, the Board withdrew said request. Judge McGill held a prehearing conference on July 17, 2013 and issued a Prehearing Order dated July 26, 2013. On November 7, 2013, Judge McGill approved a procedural schedule that the Parties had consented to, and an evidentiary hearing was scheduled for January 15, 2014.

Following the filing of the Verified Petition, the Parties engaged in discovery and exchanged additional information during informal discussions and settlement conferences.

### Stipulation

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. JCP&L should be authorized to add HPS area lighting service in the OL tariff. Specifically, the Company should be authorized to add two HPS area lights – 70 watts and 100 watts – to its OL tariff offerings, effective with the Board’s approval. The HPS offerings will be available to JCP&L customers with the same terms and conditions as in the existing OL tariff.
2. The Parties also agree that the proposed monthly fixture charge for the HPS service shall be \$9.98 (including sales and use tax), and the billing month kWh shall be 35 kWh and 48 kWh for the 70 watts light and the 100 watts light, respectively. The billing month kWh is based on standard illumination schedule of 4,200 hours per year, which is consistent with the current Board-approved OL tariff.
3. The Parties also agree that the revised tariff sheets for Service Classification OL - Outdoor Lighting Service, which are attached hereto as Attachment A, should be approved.

### Conclusion

4. 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 ALJ or the Board, or is modified by a court of competent jurisdiction, then any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right, upon written notice to be provided 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 ALJ or 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 then available legal remedies with respect to all issues addressed in this Stipulation, as though this Stipulation had not been signed. The Parties agree that this Stipulation shall be binding on them for all purposes herein.

5. 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.
- b. The contents of this Stipulation shall not in any way 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.

6. 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 ALJ, and request that the ALJ issue an Initial Decision approving this Stipulation, and that, thereafter, the Board issue a Final Order approving the Initial Decision and Stipulation in its entirety in accordance with the terms hereof.

Jersey Central Power & Light Company

By: Gregory Eisenstark  
Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP

Dated: 6-24-2014

John J. Hoffman  
Acting Attorney General of New Jersey  
Attorney for Staff of the Board of Public  
Utilities

By: \_\_\_\_\_  
Alex Moreau  
Deputy Attorney General

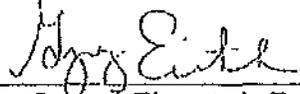
Dated: \_\_\_\_\_

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

By: \_\_\_\_\_  
Diane Schulze, Esq.  
Assistant Deputy Rate Counsel

Dated: \_\_\_\_\_

Jersey Central Power & Light Company

By:   
Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP

Dated: 6-24-2014

John J. Hoffinan  
Acting Attorney General of New Jersey  
Attorney for Staff of the Board of Public  
Utilities

By:   
Alex Morenu  
Deputy Attorney General

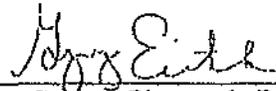
Dated: June 24, 2014

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

By: \_\_\_\_\_  
Diane Schulze, Esq.  
Assistant Deputy Rate Counsel

Dated: \_\_\_\_\_

Jersey Central Power & Light Company

By:   
Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP

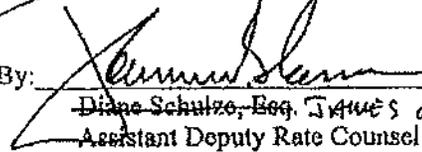
Dated: 6-24-2014

John J. Hoffman  
Acting Attorney General of New Jersey  
Attorney for Staff of the Board of Public  
Utilities

By:   
Alex Moreau  
Deputy Attorney General

Dated: June 24, 2014

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

By:   
~~Diane Schulze, Esq.~~ JAMES W. GLASSEN  
Assistant Deputy Rate Counsel

Dated: 6/25/14

# **Attachment A**

**JERSEY CENTRAL POWER & LIGHT COMPANY**

XX<sup>th</sup> Rev. Sheet No. 25

**BPU No. 10 ELECTRIC - PART III**

Superseding XX<sup>th</sup> Rev. Sheet No. 25

**Service Classification OL  
Outdoor Lighting Service**

**RESTRICTION:** Mercury vapor (MV) area lighting is no longer available for replacement and shall be removed from service when existing MV area lighting fails.

**APPLICABLE TO USE OF SERVICE FOR:** Service Classification OL is available for outdoor flood and area lighting service operating on a standard illumination schedule of 4200 hours per year, and installed on existing wood distribution poles where secondary facilities exist. This Service is not available for the lighting of public streets and highways. This Service is also not available where, in the Company's judgment, it may be objectionable to others, or where, having been installed, it is objectionable to others.

**CHARACTER OF SERVICE:** Sodium vapor (SV) flood lighting, high pressure sodium (HPS) and mercury vapor (MV) area lighting for limited period (dusk to dawn) at nominal 120 volts.

**RATE PER BILLING MONTH (All charges include Sales and Use Tax as provided in Rider SUT):**

**(A) FIXTURE CHARGE:**

<u>Nominal Ratings</u>		<u>Billing Month</u> <u>KWH *</u>	<u>HPS</u>	<u>MV</u>	<u>SV</u>
<u>Lamp</u> <u>Wattage</u>	<u>Lamp &amp; Ballast</u> <u>Wattage</u>		<u>Area Lighting</u>	<u>Area Lighting</u>	<u>Flood Lighting</u>
100	121	42	Not Available	\$ 2.68	Not Available
175	211	74	Not Available	\$ 2.68	Not Available
70	99	35	\$9.98	Not Available	Not Available
100	137	48	\$9.98	Not Available	Not Available
150	176	62	Not Available	Not Available	\$13.06
250	293	103	Not Available	Not Available	\$13.73
400	498	174	Not Available	Not Available	\$14.08

\* Based on standard illumination schedule of 4200 hours per year. Billing Month KWH is calculated to the nearest whole KWH based on the nominal lamp & ballast wattage of the light, times the light's annual burning hours per year, divided by 12 months per year, divided by 1000 watts per KWH.

**(B) KWH CHARGES:** The following charges apply to all Billing Month KWH and to all billing months (January through December). All charges are applicable to Full Service Customers. All charges, excluding Basic Generation Service (default service), are applicable to Delivery Service Customers.

**BASIC GENERATION SERVICE (default service):**

- 1) BGS Energy and Reconciliation Charges as provided in Rider BGS-FP (Basic Generation Service - Fixed Pricing).
- 2) Transmission Charge: \$0.003754 per KWH

**DELIVERY SERVICE (Distribution Charge Includes Corporation Business Tax as provided in Rider CBT):**

- 1) Distribution Charge: \$0.050257 per KWH
- 2) Non-utility Generation Charge (Rider NGC): \$0.003100 per KWH
- 3) Reserved for future use
- 4) Societal Benefits Charge (Rider SBC): \$0.008919 per KWH
- 5) System Control Charge (Rider SCC): \$0.000055 per KWH
- 6) RGGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH

**Issued:**

**Effective:**

Filed pursuant to Order of Board of Public Utilities  
Docket No. ET13040271 dated

Issued by James V. Fakult, President  
300 Madison Avenue, Morristown, NJ 07962-1911

<b>Service Classification OL</b> <b>Outdoor Lighting Service</b>
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**TERM OF CONTRACT:** One year for each installation and thereafter on a monthly basis. Service which is terminated before the end of the contract term shall be billed the total of 1) the light's monthly Fixture Charge plus 2) the per KWH Distribution Charge applicable to the light's Billing Month KWH, plus 3) any additional monthly facility charges, times the remaining months of the contract term. Restoration of Service to lamps before the end of the contract term shall be made at the expense of the customer. Restoration of Service to lamps which have been disconnected after the contract term has expired shall require a 5 year contract term to be initialized.

**TERMS OF PAYMENT:** Bills are due when rendered by the Company and become overdue when payment is not received by the Company on or before the due date specified on the bill.

**FACILITIES:**

(a) **Location of Facilities:** Fixtures, lamps, controls, poles, hardware, conductors, and other appurtenances necessary for Service under this Service Classification shall be owned and maintained by the Company and must be located where they can be maintained by the use of the Company's standard mechanized equipment. Should customer desire that Company relocate its outdoor lighting facilities at any time, the relocation expense shall be paid by the customer.

(b) **Additional Facilities:** The per Billing Month charges for poles, transformers and spans of wire furnished by the Company for Service under this Service Classification prior to February 6, 1979 shall respectively be \$0.73, \$2.93 and \$0.67 until such time as there is a customer change or those facilities are no longer utilized exclusively for service under this Service Classification, or if those facilities require replacement. New or replacement facilities furnished after that date shall be provided, at the Company's option under a 5-year term of contract, based upon payment of: (1) the following per Billing Monthly charges to be added to the Flat Service Charge: 35 foot pole: \$6.72; 40 foot pole: \$7.52; Secondary Span: \$3.38; or (2) a single non-refundable contribution determined under Appendix A (See Tariff Part II) charges when applicable; or otherwise (3) upon payment of specific charges determined under billing work order unitized costs.

(c) **Maintenance of Facilities:** Maintenance of facilities furnished by the Company under this Service Classification shall be scheduled during the Company's regular business hours upon notification by the customer of the need for such service. Maintenance of facilities at times other than during the Company's regular business hours shall be performed at the expense of the customer.

**SPECIAL PROVISIONS:**

(a) **Seasonal Service:** Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge and System Control Charge will not be billed. The monthly Fixture Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

**ADDITIONAL MODIFYING RIDER:** This Service Classification may also be modified for other Rider(s) subject to each Rider's applicability, as specified.

**STANDARD TERMS AND CONDITIONS:** This Service Classification is subject to the Standard Terms and Conditions of this Tariff for Service.

Issued:

Effective:

Filed pursuant to Order of Board of Public Utilities  
Docket No. ET13040271 dated

Issued by James V. Fakult, President  
300 Madison Avenue, Morristown, NJ 07962-1911

SERVICE LIST

**I/M/O the Verified Petition of Jersey Central Power & Light Company For Approval of Modifications to its Tariff Sheets for Service Classification OL – Outdoor Lighting Service**

**BPU Docket No. ET13040271  
OAL Docket No. PUC 8055-13**

<b>BPU</b>		
Jerome May, Director Board of Public Utilities 44 South Clinton Avenue, 9th Fl P.O. Box 350 Trenton, NJ 08625 <a href="mailto:jerome.may@bpu.state.nj.us">jerome.may@bpu.state.nj.us</a>	Alice Bator Board of Public Utilities 44 South Clinton Avenue, 9th Fl P.O. Box 350 Trenton, NJ 08625 <a href="mailto:alice.bator@bpu.state.nj.us">alice.bator@bpu.state.nj.us</a>	Tricia Caliguire Board of Public Utilities 44 South Clinton Avenue, 9th Fl P.O. Box 350 Trenton, NJ 08625 <a href="mailto:tricia.caliguire@bpu.state.nj.us">tricia.caliguire@bpu.state.nj.us</a>
<b>DAG</b>		
Caroline Vachier, DAG Division of Law 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101 <a href="mailto:caroline.vachier@dol.lps.state.nj.us">caroline.vachier@dol.lps.state.nj.us</a>	Alex Moreau, DAG Division of Law 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101 <a href="mailto:alex.moreau@dol.lps.state.nj.us">alex.moreau@dol.lps.state.nj.us</a>	
<b>Rate Counsel</b>		
Stefanie A. Brand, Director Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, N.J. 08625-0003 <a href="mailto:sbrand@rpa.state.nj.us">sbrand@rpa.state.nj.us</a>	Ami Morita, DRA Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, N.J. 08625-0003 <a href="mailto:amorita@rpa.state.nj.us">amorita@rpa.state.nj.us</a>	Kurt Lewandowski, Esq. Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, N.J. 08625-0003 <a href="mailto:klewando@rpa.state.nj.us">klewando@rpa.state.nj.us</a>
James W. Glassen, Esq. Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, N.J. 08625-0003 <a href="mailto:jglassen@rpa.state.nj.us">jglassen@rpa.state.nj.us</a>	David Peterson Chesapeake Regulatory Consultants, Inc. 10351 Southern Maryland Blvd.- Suite 202 Dunkirk, MD 20754-9500 <a href="mailto:davep@chesapeake.net">davep@chesapeake.net</a>	Lisa Gurkas Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, N.J. 08625-0003 <a href="mailto:lgurkas@rpa.state.nj.us">lgurkas@rpa.state.nj.us</a>
<b>Jersey Central Power &amp; Light</b>		
Mr. Mark Mader Jersey Central Power & Light Company 300 Madison Avenue P.O. Box 1911 Morristown, NJ 07960-1911 <a href="mailto:mamader@firstenergycorp.com">mamader@firstenergycorp.com</a>	Sally J. Choong Jersey Central Power & Light Company 300 Madison Avenue P.O. Box 1911 Morristown, NJ 07962-1911 <a href="mailto:schoong@firstenergycorp.com">schoong@firstenergycorp.com</a>	Michael J. Connolly Morgan, Lewis & Bockius LLP 89 Headquarters Plaza North-Suite 1453 Morristown, NJ 07960 <a href="mailto:michael.connolly@morganlewis.com">michael.connolly@morganlewis.com</a>
Gregory Eisenstark Morgan, Lewis & Bockius LLP 89 Headquarters Plaza North-Suite 1453 Morristown, NJ 07960 <a href="mailto:geisenstark@morganlewis.com">geisenstark@morganlewis.com</a>	Arthur Korkosz, Esq. FirstEnergy Service Company 76 S. Main Street-18th Floor Akron, Ohio 44308 <a href="mailto:korkosza@firstenergycorp.com">korkosza@firstenergycorp.com</a>	

Morgan, Lewis & Bockius LLP  
89 Headquarters Plaza North  
Suite 1453  
Morristown, NJ 07960  
Fax: 877.432.9652  
www.morganlewis.com

**Morgan Lewis**

COUNSELORS AT LAW  
A Pennsylvania Limited Liability Partnership

RANDALL B. SUNBERG  
Partner-in-Charge

**Gregory Eisenstark**  
609.919.3134  
geisenstark@morganlewis.com

June 25, 2014

**Via E-Mail and Regular Mail**

Hon. Richard McGill, ALJ  
Office of Administrative Law  
33 Washington Street  
Newark, NJ 07102

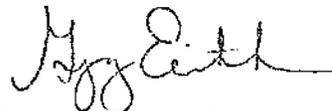
Re: I/M/O the Verified Petition of JCP&L for Approval of Modifications to its Tariff Sheet  
for Service Classification OL - Outdoor Lighting Service  
BPU Docket No. ET13040271  
OAL Docket No. PUC 8055-13

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Dear Judge McGill:

Enclosed for filing on behalf of Jersey Central Power & Light Company ("JCP&L"), please find a Stipulation of Settlement that has been executed by all the parties and that fully-resolves the above-captioned matter. JCP&L requests that Your Honor issue an Initial Decision approving the Stipulation of Settlement.

Respectfully Submitted,



Gregory Eisenstark

Encl.  
c: Service List

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES  
OFFICE OF ADMINISTRATIVE LAW**

_____	:	<b>STIPULATION</b>
In the Matter of the Verified Petition of Jersey	:	<b>OF</b>
Central Power & Light Company for Approval	:	<b>SETTLEMENT</b>
of Modifications to its Tariff Sheets for Service	:	
Classification OL – Outdoor Lighting Service	:	BPU Docket No. ET13040271
_____	:	OAL Docket No. PUC 8055-13

**TO THE HONORABLE RICHARD MCGILL, ALJ:**

APPEARANCES:

**Gregory Eisenstark, Esq.** (Morgan, Lewis & Bockius LLP, attorneys) for the Petitioner, Jersey Central Power & Light Company

**Ami Morita, Esq.**, Deputy Rate Counsel, **Kurt Lewandowski, Esq.**, Assistant Deputy Rate Counsel and **James Glassen, Esq.**, Assistant Deputy Rate Counsel, Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director)

**Carolyn McIntosh and Alex Moreau**, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

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

The Parties do hereby join in recommending that the ALJ issue an Initial Decision approving the Stipulation and that, thereafter, the Board of Public Utilities ("Board") issue an Order approving the Initial Decision and the Stipulation, based upon the following stipulations:

## **Background**

On March 29, 2013, pursuant to N.J.A.C. 14:1-5.11, JCP&L filed with the Board a Verified Petition, including supporting attachments, under Docket No. ET13040271. The purpose of the filing was to update the Company's Tariff for "Service Classification OL -- Outdoor Lighting Service" ("OL") to provide a new area lighting service using High Pressure Sodium ("HPS") fixtures. As the filing stated, the current OL tariff includes two lighting types: mercury vapor (MV) area lighting and sodium vapor (SV) flood lighting. The MV area lighting equipment is no longer commercially available to replace or support existing MV equipment that fails. Therefore, JCP&L is also proposing to revise the terms of the OL tariff so that MV area lighting service will be removed when MV lighting fixtures fail or otherwise become inoperable. In addition to the new HPS offering, the current tariff also offers three sodium vapor flood lights, providing former MV area lighting customers with a variety of options. Alternatively, customers may own and install outdoor lights of their choosing.

On June 11, 2013, the Board transmitted the filing to the Office of Administrative Law ("OAL"), and thereby requested that this matter be consolidated with JCP&L's pending base rate case (BPU Docket No. ER12111052 and OAL Docket No. PUC 16310-2012N) at the OAL, where it was subsequently assigned to the Honorable Richard McGill, ALJ. By letter dated July 16, 2013, the Board withdrew said request. Judge McGill held a prehearing conference on July 17, 2013 and issued a Prehearing Order dated July 26, 2013. On November 7, 2013, Judge McGill approved a procedural schedule that the Parties had consented to, and an evidentiary hearing was scheduled for January 15, 2014.

Following the filing of the Verified Petition, the Parties engaged in discovery and exchanged additional information during informal discussions and settlement conferences.

### **Stipulation**

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. JCP&L should be authorized to add HPS area lighting service in the OL tariff. Specifically, the Company should be authorized to add two HPS area lights – 70 watts and 100 watts – to its OL tariff offerings, effective with the Board’s approval. The HPS offerings will be available to JCP&L customers with the same terms and conditions as in the existing OL tariff.

2. The Parties also agree that the proposed monthly fixture charge for the HPS service shall be \$9.98 (including sales and use tax), and the billing month kWh shall be 35 kWh and 48 kWh for the 70 watts light and the 100 watts light, respectively. The billing month kWh is based on standard illumination schedule of 4,200 hours per year, which is consistent with the current Board-approved OL tariff.

3. The Parties also agree that the revised tariff sheets for Service Classification OL -  
- Outdoor Lighting Service, which are attached hereto as Attachment A, should be approved.

### **Conclusion**

4. 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 ALJ or the Board, or is modified by a court of competent jurisdiction, then any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right, upon written notice to be provided 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 ALJ or 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 then available legal remedies with respect to all issues addressed in this Stipulation, as though this Stipulation had not been signed. The Parties agree that this Stipulation shall be binding on them for all purposes herein.

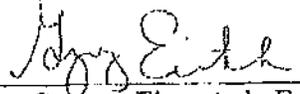
5. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and, except as otherwise expressly provided for herein:

- 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.
- b. The contents of this Stipulation shall not in any way 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.

6. 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 ALJ, and request that the ALJ issue an Initial Decision approving this Stipulation, and that, thereafter, the Board issue a Final Order approving the Initial Decision and Stipulation in its entirety in accordance with the terms hereof.

Jersey Central Power & Light Company

By:   
Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP

Dated: 6-24-2014

John J. Hoffman  
Acting Attorney General of New Jersey  
Attorney for Staff of the Board of Public  
Utilities

By:   
Alex Moreau  
Deputy Attorney General

Dated: June 24, 2014

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

By: \_\_\_\_\_  
Diane Schulze, Esq.  
Assistant Deputy Rate Counsel

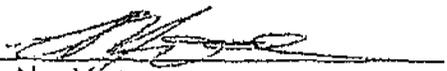
Dated: \_\_\_\_\_

Jersey Central Power & Light Company

By:   
Gregory Eisenstark, Esq.  
Morgan, Lewis & Bockius LLP

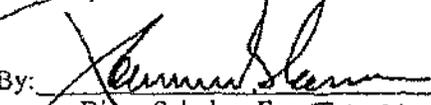
Dated: 6-24-2014

John J. Hoffman  
Acting Attorney General of New Jersey  
Attorney for Staff of the Board of Public  
Utilities

By:   
Alex McBreaux  
Deputy Attorney General

Dated: June 24, 2014

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

By:   
~~Diane Schulze, Esq. JAMES W. GLASSEN~~  
Assistant Deputy Rate Counsel

Dated: 6/25/14

# **Attachment A**

**Service Classification OL  
Outdoor Lighting Service**

**RESTRICTION:** Mercury vapor (MV) area lighting is no longer available for replacement and shall be removed from service when existing MV area lighting fails.

**APPLICABLE TO USE OF SERVICE FOR:** Service Classification OL is available for outdoor flood and area lighting service operating on a standard illumination schedule of 4200 hours per year, and installed on existing wood distribution poles where secondary facilities exist. This Service is not available for the lighting of public streets and highways. This Service is also not available where, in the Company's judgment, it may be objectionable to others, or where, having been installed, it is objectionable to others.

**CHARACTER OF SERVICE:** Sodium vapor (SV) flood lighting, high pressure sodium (HPS) and mercury vapor (MV) area lighting for limited period (dusk to dawn) at nominal 120 volts.

**RATE PER BILLING MONTH (All charges include Sales and Use Tax as provided in Rider SUT):**

**(A) FIXTURE CHARGE:**

<u>Nominal Ratings</u>		<u>Billing Month</u>	<u>HPS</u>	<u>MV</u>	<u>SV</u>
<u>Lamp</u>	<u>Lamp &amp; Ballast</u>				
<u>Wattage</u>	<u>Wattage</u>	<u>KWH *</u>	<u>Area Lighting</u>	<u>Area Lighting</u>	<u>Flood Lighting</u>
100	121	42	Not Available	\$ 2.68	Not Available
175	211	74	Not Available	\$ 2.68	Not Available
70	99	35	\$9.98	Not Available	Not Available
100	137	48	\$9.98	Not Available	Not Available
150	176	62	Not Available	Not Available	\$13.06
250	293	103	Not Available	Not Available	\$13.73
400	498	174	Not Available	Not Available	\$14.08

\* Based on standard illumination schedule of 4200 hours per year. Billing Month KWH is calculated to the nearest whole KWH based on the nominal lamp & ballast wattage of the light, times the light's annual burning hours per year, divided by 12 months per year, divided by 1000 watts per KWH.

**(B) KWH CHARGES:** The following charges apply to all Billing Month KWH and to all billing months (January through December). All charges are applicable to Full Service Customers. All charges, excluding Basic Generation Service (default service), are applicable to Delivery Service Customers.

**BASIC GENERATION SERVICE (default service):**

- 1) BGS Energy and Reconciliation Charges as provided in Rider BGS-FP (Basic Generation Service – Fixed Pricing).
- 2) Transmission Charge: \$0.003754 per KWH

**DELIVERY SERVICE (Distribution Charge includes Corporation Business Tax as provided in Rider CBT):**

- 1) Distribution Charge: \$0.050257 per KWH
- 2) Non-utility Generation Charge (Rider NGC): \$0.003100 per KWH
- 3) Reserved for future use
- 4) Societal Benefits Charge (Rider SBC): \$0.006919 per KWH
- 5) System Control Charge (Rider SCC): \$0.000055 per KWH
- 6) RGGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH

Issued:

Effective:

Filed pursuant to Order of Board of Public Utilities  
Docket No. ET13040271 dated

Issued by James V. Fakuit, President  
300 Madison Avenue, Morristown, NJ 07962-1911

<b>Service Classification OL Outdoor Lighting Service</b>
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**TERM OF CONTRACT:** One year for each installation and thereafter on a monthly basis. Service which is terminated before the end of the contract term shall be billed the total of 1) the light's monthly Fixture Charge plus 2) the per KWH Distribution Charge applicable to the light's Billing Month KWH, plus 3) any additional monthly facility charges, times the remaining months of the contract term. Restoration of Service to lamps before the end of the contract term shall be made at the expense of the customer. Restoration of Service to lamps which have been disconnected after the contract term has expired shall require a 5 year contract term to be initialized.

**TERMS OF PAYMENT:** Bills are due when rendered by the Company and become overdue when payment is not received by the Company on or before the due date specified on the bill.

**FACILITIES:**

**(a) Location of Facilities:** Fixtures, lamps, controls, poles, hardware, conductors, and other appurtenances necessary for Service under this Service Classification shall be owned and maintained by the Company and must be located where they can be maintained by the use of the Company's standard mechanized equipment. Should customer desire that Company relocate its outdoor lighting facilities at any time, the relocation expense shall be paid by the customer.

**(b) Additional Facilities:** The per Billing Month charges for poles, transformers and spans of wire furnished by the Company for Service under this Service Classification prior to February 6, 1979 shall respectively be **\$0.73**, **\$2.93** and **\$0.67** until such time as there is a customer change or those facilities are no longer utilized exclusively for service under this Service Classification, or if those facilities require replacement. New or replacement facilities furnished after that date shall be provided, at the Company's option under a 5-year term of contract, based upon payment of: (1) the following per Billing Monthly charges to be added to the Flat Service Charge: 35 foot pole: **\$6.72**; 40 foot pole: **\$7.52**; Secondary Span: **\$3.38**; or (2) a single non-refundable contribution determined under Appendix A (See Tariff Part II) charges when applicable; or otherwise (3) upon payment of specific charges determined under billing work order unitized costs.

**(c) Maintenance of Facilities:** Maintenance of facilities furnished by the Company under this Service Classification shall be scheduled during the Company's regular business hours upon notification by the customer of the need for such service. Maintenance of facilities at times other than during the Company's regular business hours shall be performed at the expense of the customer.

**SPECIAL PROVISIONS:**

**(a) Seasonal Service:** Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge and System Control Charge will not be billed. The monthly Fixture Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

**ADDITIONAL MODIFYING RIDER:** This Service Classification may also be modified for other Rider(s) subject to each Rider's applicability, as specified.

**STANDARD TERMS AND CONDITIONS:** This Service Classification is subject to the Standard Terms and Conditions of this Tariff for Service.

**Issued:**

**Effective:**

Filed pursuant to Order of Board of Public Utilities  
Docket No. ET13040271 dated

Issued by James V. Fakult, President  
300 Madison Avenue, Morristown, NJ 07962-1911