



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF)	ORDER ADOPTING
JERSEY CENTRAL POWER & LIGHT COMPANY)	STIPULATION
SEEKING (1) REVIEW AND APPROVAL OF ITS)	
DEFERRED BALANCES RELATING TO THE SOCIETAL)	
BENEFITS CHARGE CLAUSE OF ITS FILED TARIFF;)	
AND (2) REVIEW AND APPROVAL OF ITS DEFERRED)	
BALANCE RELATING TO THE SYSTEM CONTROL)	
CHARGE CLAUSE OF ITS FILED TARIFF ("2016)	
SBC/SCC FILING"))	DOCKET NO. ER17080894

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Gregory Eisenstark, Esq., Windels Marx Lane & Mittendorf, LLP, on behalf of Jersey Central Power & Light Company

BY THE BOARD:¹

On August 21, 2017, Jersey Central Power and Light Company ("JCP&L" or "Company") filed a petition ("2016 SBC/SCC Petition") with the New Jersey Board of Public Utilities ("Board") seeking: (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the Societal Benefits Charge ("SBC") clause of its filed tariff for the period January 1, 2016 through December 31, 2016; and (2) review and approval of its deferred balances relating to the System Control Charge ("SCC") of its filed tariff for the period January 1, 2016 through December 31, 2016. By this Order, the Board considers a Stipulation of Settlement ("Stipulation") executed by JCP&L, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff (collectively, the "Parties") resolving the 2016 SBC/SCC Petition.

¹ Commissioner Robert M. Gordon did not participate.

BACKGROUND/PROCEDURAL HISTORY

As a result of the Board's Final Decision and Order issued in Docket Nos. EO97070458, EO97070459, and EO97070460 ("Restructuring Order"),² the Company implemented, among other things, the SBC and established the components of the SBC and the associated cost recovery mechanisms.

Pursuant to the Restructuring Order, and to the extent that expenditures for these initiatives exceeded the amount of their allowed cost recovery, the expenditures were subject to deferred accounting treatment for future recovery after the transition period. The Board further directed JCP&L to make a filing, no later than August 1, 2002, so the Board could consider the matter. As a result of the Board's Final Decision and Order³ issued in Docket No. ER02080507, together with the Board's Order⁴ in Docket Nos. EX02060363 and EA02060365, all issues were resolved relating to the deferred balances of the following components of JCP&L's SBC through July 31, 2003: 1) Consumer Education; 2) Demand Side Factor ("DSF"); 3) Uncollectible Accounts Charge ("UNC"); and 4) Nuclear Decommissioning Costs ("NDC").

JCP&L's Air Conditioning Cycling Program ("AC Cycling Program") and Integrated Distributed Energy Resource Pilot Program ("IDER Pilot Program") have historically operated under the terms of a series of stipulations entered into by the Parties and approved by the Board, which required the Company to seek Board authorization on an annual basis and to recover costs associated with the program through JCP&L's Rider SCC. By Order dated June 15, 2011, the Board approved a stipulation that, among other things, authorized JCP&L to transfer the recovery of costs associated with the IDER Pilot Program from Rider SCC to RGGI Recovery Charge ("Rider RRC").⁵ Additionally, the June 2011 Order stated that after termination of the existing AC Cycling Program, any under- or over recovery in Rider SCC would be transferred to Rider RRC.

Pursuant to the Board's Order in Docket No. ER10010034, JCP&L applied the over-collections to the Rider SCC to offset under-collections in its Rider RRC.⁶ Pursuant to Board Order dated August 20, 2014, the Board authorized JCP&L to continue to apply Rider SCC over collections, if any, to Rider RRC until such time as the Rider RRC rate was reset pursuant to a Board Order, at which time the Rider SCC rate would be reset to zero.⁷

² In re JCP&L- Rate Unbundling, Stranded Costs and Restructuring Filings, BPU Docket Nos. EO97070458, EO97070459, EO97070460 (March 7, 2001).

³ In re the Verified Petition of Jersey Central Power & Light Company for Review and Approval of its Deferred Balances Relating to the Market Transition Charge and Societal Benefits Charge, BPU Docket No. ER02080507 (May 17, 2004).

⁴ In re the Deferred Balances Audit of Jersey Central Power & Light Company Phase II: August 2002-July 2003, BPU Docket Nos. EX02060363 and EA02060365 (June 8, 2006).

⁵ In re the Verified Petition of Jersey Central Power and Light Company Concerning the Continuation Beyond May 31, 2011 of its Legacy Direct Load Control/Air Conditioning Cycling Program (2011 AC Cycling Filing), BPU Docket No. ER10010034 (June 15, 2011). ("June 2011 Order")

⁶ Pursuant to the Board's June 15, 2011 Order in Docket No. ER10010034, paragraph 7 of the stipulation, "[a]fter termination of the Existing AC Cycling Program, any under- or over-recover in Rider SCC will be transferred to Rider RRC. Accordingly, on July 1, 2011, JCP&L transferred the \$1,440,127.75 over-recovered Rider SCC balance (including accrued interest) to Rider RRC.

⁷ In re the Verified Petition of Jersey Central Power and Light Company Seeking (1) Review and Approval of its Deferred Balances Relating to, and an Adjustment of Certain Components of the Societal Benefits Charge ("SBC") Clause of its Filed Tariff; (2) Review and Approval of its Deferred Balance Relating to the

By Order⁸ dated August 24, 2016, the Board set the Rider SCC rate to zero, effective September 1, 2016.

2016 SBC/SCC Petition

On August 21, 2017, JCP&L filed the 2016 SBC/SCC Petition with the Board under Docket No. ER17080894 seeking: (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the SBC clause of its filed Tariff; and (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff. The 2016 SBC/SCC Petition sought review and approval of the deferred balances accumulated with respect to the Demand Side Factor ("DSF"), Uncollectible Accounts Charge ("UNC") and Nuclear Decommissioning Costs ("NDC") components of the Company's SBC and the SCC to the extent accumulated from January 1, 2016 through December 31, 2016.

The 2016 SBC/SCC Petition proposed a decrease of approximately \$1.21 million on an annual basis in the Company's Rider DSF. The 2016 SBC/SCC Petition also proposed a decrease in the Company's Rider UNC rate of \$4.85 million on an annual basis. The 2016 SBC/SCC Petition did not propose any change to the Company's Rider SCC rate or Rider NDC rate. As a result of the combined proposed changes, the Company proposed a decrease in rates of approximately \$6.05 million, annually. Pursuant to the August 2016 Order, JCP&L also proposed to remove Rider SCC from its tariff.

STIPULATION

The Parties conducted discovery and held discussions regarding the matter. As a result, on August 9, 2018, the Parties entered into the attached stipulation resolving the 2016 SBC/SCC Petition. The Stipulation provides for the following:⁹

1. The Parties agree that the Company's ending deferred balances in the components of the SBC listed below at December 31, 2016 were as follows: (i) an under-recovered DSF balance of \$5.89 million, including under-recovered

System Control Charge ("SCC") Clause of its Filed Tariff; and (3) Review and Approval of Costs Incurred for Environmental Remediation of Manufactured Gas Plant Sites Pursuant to the Remediation Adjustment Clause ("RAC") of its Filed Tariff (2009 SBC/SCC and RAC Filing) AND In re the Verified Petition of Jersey Central Power and Light Company Seeking (1) Review and Approval of its Deferred Balances Relating to the Societal Benefits Charge ("SBC") Clause of its Filed Tariff; and (2) Review and Approval of its Deferred Balance Relating to the System Control Charge ("SCC") Clause of its Filed Tariff (2010 SBC/SCC Filing) AND In re the Verified Petition of Jersey Central Power and Light Company Seeking (1) Review and Approval of its Deferred Balances Relating to the Societal Benefits Charge ("SBC") Clause of its Filed Tariff; and (2) Review and Approval of its Deferred Balance Relating to the System Control Charge ("SCC") Clause of its Filed Tariff (2011 SBC/SCC Filing), BPU Docket Nos. ER10020130, ER11070439, and ER12080756 (August 20, 2014).

⁸ In re the Verified Petition of JCP&L Seeking Review and Approval of its Deferred Balances Relating to, and an Adjustment of, the Rider RRC of its Filing Tariff ("2009-2013 Rider RRC Filing") AND In re the Verified Petition of JCP&L Seeking Review and Approval of its Deferred Balances Relating to, and an Adjustment of, the Rider RRC of its Filing Tariff ("2014 Rider RRC Filing"), BPU Docket Nos. ER14080869 and ER15090995 (August 24, 2016). ("August 2016 Order")

⁹ Although described 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.

carrying costs of \$1,349; and (ii) an over-recovered UNC balance of \$3.70 million, including over-recovered carrying costs of \$8,036 (in all cases without giving effect to the annual application of any over-recoveries to reduce under-recovered balances in other components of the Company's SBC deferred balance). The \$3.70 million over-recovered Rider UNC deferred balance including interest at December 31, 2016 was applied against the under-recovered Rider DSF deferred balance of \$5.89 million (including interest), thereby resetting the Rider UNC deferred balance including interest to zero and reducing the under-recovered deferred Rider DSF balance including interest to \$2.186 million. (Please refer to Attachments A-1 and A-2 of the Stipulation).

2. In regard to the Rider DSF rate, the Parties agree that, based on the deferred balance and the forecasted revenues and expenses, a decrease in the Rider DSF of \$1.21 million on an annual basis is warranted at this time. (See Attachment A-1 of the Stipulation).
3. In regard to the Rider UNC rate, the Parties agree that, based on the deferred balance and the forecasted revenues and expenses, a decrease in the Rider UNC rate of \$4.846 million on an annual basis is warranted at this time. (See Attachment A-2 of the Stipulation).
4. The Parties agree that the total decrease to the Company's Rider SBC will be approximately \$6.05 million on an annual basis.
5. As a result of the change in the Rider SBC rate as set forth in the Stipulation, a typical residential customer consuming 768 kWh in a month will see a decrease in their monthly bill from \$105.12 to \$104.88, a decrease of \$0.24 or 0.2%, based on rates effective July 1, 2018.
6. The Parties further agree that JCP&L's Rider NDC is currently set at zero and shall remain at zero as a result of the Stipulation. (See Attachment A-3 of the Stipulation).
7. The Parties further agree that, to the extent not otherwise recovered in rates, JCP&L shall be authorized to continue to defer all additional reasonable and prudent costs of a type previously approved for recovery through Rider SBC, incurred and deferred subsequent to December 31, 2016, together with accrued interest thereon, for review and inclusion in future annual SBC filings and related adjustments to the Company's Rider SBC, subject to the Board's review and approval.
8. Interest will continue to accrue monthly on the net-of-tax deferred balances in the NDC, DSF and UNC components of JCP&L's SBC deferred balance at a rate equal to the monthly rate actually incurred on short-term debt, or in the event no short-term debt is outstanding, the rate available on equivalent temporary cash investments, with annual compounding on January 1 of each year.
9. In regard to the Rider SCC, the Parties agree that, as set forth in more detail in Attachments C and D of the Stipulation, as of December 31, 2016, Rider SCC was over collected by \$790,166 including carrying costs of \$1,902. The

\$790,166 deferred amount was transferred to the Rider RRC deferred balance on or before December 31, 2016. See Attachment C of the Stipulation. As discussed in the Stipulation, pursuant to the Board's August 24, 2016 Order in the Company's RRC case, the Rider SCC rate was set to zero as of September 1, 2016. The Parties agree that this final true-up of the Rider SCC deferred balance is reasonable and appropriate. The Parties further agree that Rider SCC should be removed from JCP&L's tariff.

10. The Parties agree that upon the effective date of the Board's written Order approving this Stipulation, all elements of the 2016 SBC/SCC Filing shall all be deemed closed and resolved.
11. JCP&L agrees to file its next annual SBC Filing for the period January 1, 2017 through December 31, 2017 no later than October 1, 2018.

DISCUSSION AND FINDING

The Board, having reviewed the record in this matter, including, the 2016 SBC/SCC Petition and the attached Stipulation, **HEREBY FINDS** that the Stipulation is reasonable, in the public interest and in accordance with the law. The costs associated with the SBC and SCC at issue in this proceeding are reasonable as they result from JCP&L providing Board approved energy efficiency programs to New Jersey residents which reduce energy usage for the benefit of those customers and for the State, and also result from JCP&L's uncollectible costs of providing utility service that may be passed through the SBC pursuant to N.J.S.A. 48:3-60. The Board **HEREBY APPROVES** the attached Stipulation and incorporates its terms and conditions as if fully stated in this Order.

As a result of the change in the Rider SBC rate as set forth in the Stipulation, a typical residential customer consuming 768 kWh in a month will see a decrease in their monthly bill from \$105.12 to \$104.88, a decrease of \$0.24 or 0.2%, based on rates effective July 1, 2018.

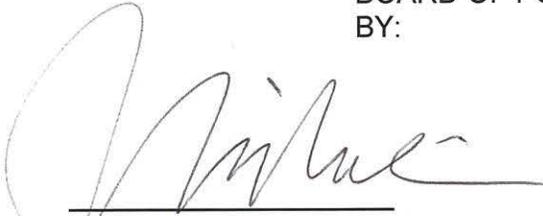
The Board **HEREBY DIRECTS** the Company to file the appropriate revised tariff sheets conforming to the terms of this Order by September 8, 2018.

The Company's costs, including those related to the individual SBC rate component and Rider SCC, 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.

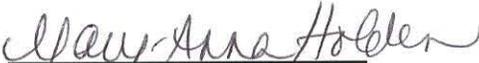
The effective date of this Order is September 5, 2018.

DATED: 8/29/18

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER

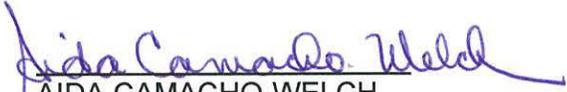


DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

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

IN THE MATTER OF THE VERIFIED PETITION OF JERSEY CENTRAL POWER & LIGHT COMPANY SEEKING (1) REVIEW AND APPROVAL OF ITS DEFERRED BALANCES RELATING TO THE SOCIETAL BENEFITS CHARGE CLAUSE OF ITS FILED TARIFF; AND (2) REVIEW AND APPROVAL OF ITS DEFERRED BALANCE RELATING TO THE SYSTEM CONTROL CHARGE CLAUSE OF ITS FILED TARIFF ("2016 SBC/SCC FILING") DOCKET NO. ER17080894

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August 10, 2018

Via Hand Delivery

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue
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Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company Seeking (1) Review and Approval of Its Deferred Balances Relating to the Societal Benefits Charge Clause of Its Filed Tariff; and (2) Review and Approval of Its Deferred Balance Relating to the System Control Charge Clause of Its Filed Tariff ("2016 SBC/SCC Filing")
BPU Docket No. ER17080894

Dear Secretary Camacho-Welch:

Enclosed for filing please find a fully-executed Stipulation of Settlement in the above-referenced matter. An original and ten (10) copies are enclosed for filing. This Stipulation of Settlement fully-resolves this matter.

Respectfully submitted,



Gregory Eisenstark

Enclosures
Cc: Service List

**In the Matter of the Verified Petition of Jersey Central Power & Light Company (“JCP&L”)
Seeking (1) Review and Approval of Its Deferred Balances Relating to, and an Adjustment of, the
Societal Benefits Charge Clause of Its Filed Tariff; & (2) Review and Approval of Its Deferred Balance
Relating to the System Control Charge Clause of Its Filed Tariff
 (“2016 SBC/SCC Filing”)
Docket No. ER17080894**

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Background

On August 21, 2017, JCP&L filed with the Board a Verified Petition including supporting schedules under Docket No. ER17080894, seeking: (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the Societal Benefits Charge (“SBC”) clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the System Control Charge (“SCC”) clause of its filed Tariff (“2016 SBC/SCC Filing”). In regard to the SBC, the 2016 SBC/SCC Filing sought review and approval of the deferred balances accumulated with respect to the Demand Side Factor (“DSF”), Uncollectible Accounts Charge (“UNC”) and Nuclear Decommissioning Costs (“NDC”) components of the Company’s SBC, in each case to the extent accumulated from January 1, 2016 through December 31, 2016. In regard to the SCC, the 2016 SBC/SCC Filing sought review and approval of the deferred balance accumulated with respect to the Company’s SCC clause from January 1, 2016 through December 31, 2016, along with a proposal to eliminate Rider SCC from JCP&L’s Tariff.

The 2016 SBC/SCC filing proposed a decrease to the Rider DSF rate of approximately \$1.21 million on an annual basis. The 2016 SBC/SCC filing also proposed a decrease in the Rider UNC rate of approximately \$4.85 million. The Company did not propose any change to the Rider NDC rate, which is currently set at zero. The 2016 SBC/SCC filing did not propose a change to its Rider SCC rate, which had been set at zero effective September 1, 2016 pursuant to the Board’s August 24, 2016 Order in Docket Nos. ER14080869 and ER15090995. Pursuant to that same Order, JCP&L proposed to remove Rider SCC from its tariff. As a result of all of the foregoing changes, the Company proposed an overall net decrease in its SBC of approximately \$6.05 million on an annual basis.

Following the filing of the Verified Petition, the Parties engaged in discovery and exchanged additional information during informal discussions and settlement negotiations. As a result, the Parties have agreed to resolve this matter pursuant to the instant Stipulation.

Stipulation

The undersigned Parties DO HEREBY STIPULATE AND AGREE as follows:

1. The Parties agree that the Company's ending deferred balances in the components of the SBC listed below at December 31, 2016 were as follows: (i) an under-recovered DSF balance of \$5.89 million, including under-recovered carrying costs of \$1,349; and (ii) an over-recovered UNC balance of \$3.70 million, including over-recovered carrying costs of \$8,036 (in all cases without giving effect to the annual application of any over-recoveries to reduce under-recovered balances in other components of the Company's SBC deferred balance). The \$3.70 million over-recovered Rider UNC deferred balance including interest at December 31, 2016 was applied against the under-recovered Rider DSF deferred balance of \$5.89 million (including interest), thereby resetting the Rider UNC deferred balance including interest to zero and reducing the under-recovered deferred Rider DSF balance including interest to \$2.186 million. Please refer to Attachments A-1 and A-2 to this Stipulation.

2. In regard to the Rider DSF rate, the Parties agree that, based on the deferred balance and the forecasted revenues and expenses, a decrease in the Rider DSF of \$1.21 million on an annual basis is warranted at this time. *See Attachment A-1.*

3. In regard to the Rider UNC rate, the Parties agree that, based on the deferred balance and the forecasted revenues and expenses, a decrease in the Rider UNC rate of \$4.846 million on an annual basis is warranted at this time. *See Attachment A-2.*

4. Based on the foregoing, the Parties agree that the total decrease to the Company's Rider SBC will be approximately \$6.05 million on an annual basis.

5. As a result of the change in the Rider SBC rate as set forth in this Stipulation, a typical residential customer consuming 768 kWh in a month will see a decrease in their monthly bill from \$105.12 to \$104.88, a decrease of \$0.24 or 0.2%, based on rates effective July 1, 2018.

6. The Parties further agree that JCP&L's Rider NDC is currently set at zero and shall remain at zero as a result of this Stipulation. *See Attachment A-3.*

7. The Parties further agree that, to the extent not otherwise recovered in rates, JCP&L shall be authorized to continue to defer all additional reasonable and prudent costs of a type previously approved for recovery through Rider SBC, incurred and deferred subsequent to December 31, 2016, together with accrued interest thereon, for review and inclusion in future annual SBC filings and related adjustments to the Company's Rider SBC, subject to the Board's review and approval.

8. Interest will continue to accrue monthly on the net-of-tax deferred balances in the NDC, DSF and UNC components of JCP&L's SBC deferred balance at a rate equal to the monthly rate actually incurred on short-term debt, or in the event no short-term debt is outstanding, the rate available on equivalent temporary cash investments, with annual compounding on January 1 of each year.¹

9. In regard to the Rider SCC, the Parties agree that, as set forth in more detail in Attachments C and D, as of December 31, 2016, Rider SCC was over collected by \$790,166 including carrying costs of \$1,902. The \$790,166 deferred amount was transferred to

¹ Pursuant to the Board's June 15, 2011 Order, as of January 1, 2012, interest on all elements of the SBC compounds annually on January 1.

the Rider RRC deferred balance on or before December 31, 2016. *See* Attachment C. As discussed herein above, pursuant to the Board's August 24, 2016 Order in the Company's RRC case, the Rider SCC rate was set to zero as of September 1, 2016. The Parties agree that this final true-up of the Rider SCC deferred balance is reasonable and appropriate. The Parties further agree that Rider SCC should be removed from JCP&L's tariff.

10. The Parties agree that upon the effective date of the Board's written Order approving this Stipulation, all elements of the 2016 SBC/SCC Filing shall all be deemed closed and resolved.

11. JCP&L agrees to file its next annual SBC Filing for the period January 1, 2017 through December 31, 2017 no later than October 1, 2018.

Conclusion

12. 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 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 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.

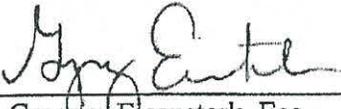
13. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and, except as otherwise expressly provided for herein:

- 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.

14. 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: 
Gregory Eisenstark, Esq.
Windels Marx Lane & Mittendorf, LLP

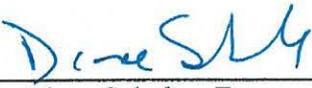
Dated: 8-9-2018

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

By: 
Renee Greenberg
Deputy Attorney General

Dated: August 9, 2018

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

By: 
Diane Schulze, Esq.
Assistant Deputy Rate Counsel

Dated: 8/9/18

Jersey Central Power & Light Company
Societal Benefits Charge - Demand Side Factor ("SBC-DSF")
Summary of Deferred Clean Energy Program ("CEP") Costs & Interest
For the Period January 1, 2016 through December 31, 2016

Line No.		Jan.2016 through Dec.2016	Refer to Attachment B-1, P.2 of 2 Line No(s).
Computation of (Over) Recovery of Clean Energy Program Costs:			
1	Tariff Rider DSF Revenue Recovery	\$ (73,089,008.41)	1
2	BPU-mandated New Jersey Clean Energy Program Costs	66,027,563.31 ¹	4
3	(Over) Recovery of Clean Energy Program Costs for 2016 (L1 + L2)	<u>\$ (7,061,445.10)</u>	5
4	Cumulative Under Recovery of Clean Energy Program Costs at 1/1/2016	\$ 12,955,179.85	6
5	Accrued Interest on Deferred Clean Energy Program Costs at 1/1/2016	-	7
6	Beginning Balance of Deferred CEP Costs Incl.Interest at 1/1/2016 (L4 + L5)	<u>\$ 12,955,179.85</u>	8
7	Deferred Clean Energy Program Costs at 12/31/2016 (L3 + L6)	\$ 5,893,734.75	10
8	Accrued Interest Income/(Expense)	(1,349.36)	21
9	Under Recovery of Clean Energy Program Costs for 2016 Incl.Interest (L7 + L8)	<u>\$ 5,892,385.39</u>	25
10	Rider UNC (Over) Recovery Offset Against Deferred CEP at 12/31/2016	(3,706,872.47) ²	27
11	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2016 (L9 + L10)	<u>\$ 2,185,512.92</u>	28
Line No. CALCULATION OF A PROPOSED (DECREASE) IN RIDER DSF Effective 9/1/2017			
		Amount	
12	Mandated Clean Energy Program Costs for the 12 Months Ended 12/31/2017	\$ 67,614,286.92 ³	
13	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2016 per Line 11	<u>2,185,512.92</u>	28
14	Total Recoverable New Jersey Clean Energy Program Costs	\$ 69,799,799.84	
15	Forecasted Jurisdictional MWh Sales for the 12 Months Ended 8/31/2018	<u>20,190,107</u>	
16	Proposed Tariff Rider DSF (\$ per kWh) before SUT (L14 ÷ L15)	\$ 0.003457	
17	Current Rider DSF (\$ per kWh) before SUT	<u>0.003517</u>	
18	Proposed (Decrease) in Rider DSF (\$ per kWh) before SUT (L16 - L17)	<u>\$ (0.000060)</u>	
19	Proposed Rider DSF Revenue (Decrease) Effective 9/1/2017 (L15 x L18 x 1,000)	<u>\$ (1,211,406.42)</u>	
Notes:			
¹ Per the spending mandated in the BPU's Orders in Docket No.QO15040476, dated June 25, 2016, for the period January 2016 through June 2016 and in Docket No.QO16040352, dated June 29, 2016, for the period July 2016 through December 2016.			
² SBC over-recoveries are offset against other under-recovered SBC components at year-end in accordance with Tariff Rider SBC.			
³ Per the spending mandated in the BPU's Order in Docket No.QO16040352, dated June 29, 2016, for the period January 2017 through June 2017 and in Docket No.QO17050464, dated June 30, 2017, for the period July 2017 through December 2017.			

Jersey Central Power & Light Company
Societal Benefits Charge (SBC-UNC)
Summary of Deferred Uncollectible Accounts Expense and Interest
For Period January 1, 2016 through December 31, 2016

Line No.	Jan-16 through Dec-16	Refer to Attachment B-2 Line No(s).
1 Total (Over)/Under-Recovered Uncollectible Accounts Expense at Jan.1, 2016	\$ -	
2 Balance of Interest on Deferred Uncollectible Accounts Expense at Jan.1, 2016	-	
3 Total (Over)/Under-Recovered Uncollectible Accounts Expense Including Interest at Jan.1, 2016	<u>\$ -</u>	
4 Tariff Rider UNC Net Revenue Recovery	\$ (12,291,848.75)	1
5 Uncollectible Accounts Expense Incurred	<u>8,593,012.18</u>	2
6 (Over)/Under-Recovery of UNC Costs	\$ (3,698,836.57)	3
7 Interest Accrued	\$ (8,035.90)	16
8 Over/(Under)-Recovery of UNC Costs and Related Interest Applied to SBC at Year-End	\$ 3,706,872.47 ¹	3 + 16
9 Under/(Over)-Recovered Balance of Uncollectible Accounts Expense Deferred at Dec.31, 2016	<u><u>\$ -</u></u>	
Calculation of Proposed (Decrease) to Tariff Rider UNC:		
10 Balance of Deferred Uncollectible Accounts Expense at Dec 31, 2016	\$ -	Line 9 above.
11 Forecasted Annual Uncollectible Accounts Expense	<u>7,097,806.97</u>	
12 Total Proposed Uncollectible Accounts Expense (Line 10 + Line 11)	<u>\$ 7,097,806.97</u>	
13 Forecasted Jurisdictional MWh Sales for 9/1/2017 - 8/31/2018	<u>20,190,107</u>	
14 Proposed Tariff Rider UNC (\$ per KWh) Before SUT (Line 12 / Line 13)	<u>\$ 0.000352</u>	
15 Current Tariff Rider UNC (\$ per KWh) Before SUT	<u>\$ 0.000592</u>	
16 Proposed Change to Tariff Rider UNC (\$ per KWh) Before SUT effective 9/1/2017	<u>\$ (0.000240)</u>	
17 Proposed Rider UNC Revenue (Decrease) Effective 9/1/2017 (Line 13 X Line 16)	<u><u>\$ (4,845,626.00)</u></u>	

¹ SBC over-recoveries applied to other under-recovered SBC components at year-end in accordance with Tariff Rider SBC.

Societal Benefits Charge - Nuclear Decommissioning Costs ("SBC-NDC")
Computation of JCP&L's TMI-2 Decommissioning Liability,
Projected Trust Fund Balance & Annual Revenue Requirement
as of December 31, 2016

Line #	Computation of Trust Fund Shortage:	Amount
1	Balance Per Trust Statements at December 31, 2016	\$ 226,076,803.00
2	Assumed After-Tax Return on the Funding Annuity	4.560%
3	Assumed Inflation Rate	2.774%
4	JCP&L 25% TMI-2 Decommissioning Liability at January 1, 2034	\$ 486,032,659.19
5	Projected Trust Fund Balance at January 1, 2034	482,470,507.42
6	Trust Fund Shortage at January 1, 2034 (L4 - L5)	\$ 3,562,151.77
7	Present Value of Shortage at January 1, 2034	\$ 1,669,158.78
Calculation of Proposed Change in Rider NDC Effective July 1, 2017		Amount
8	Annual Revenue Requirement	\$ 143,227.33
9	Proposed Tariff Rider NDC (\$ per kWh) Before SUT	0.000000
10	Current Tariff Rider NDC (\$ per kWh) Before SUT	0.000000
11	No Change in Rider NDC (\$ per kWh) before SUT (L9 - L10)	0.000000

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2016 - December 31, 2016

Line #	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016
Calculation of (Over)/Under Recovery						
1 Rider DSF Revenues (Note 2)	\$ (5,979,653.91)	\$ (5,967,295.36)	\$ (5,566,865.70)	\$ (5,062,869.43)	\$ (4,767,681.05)	\$ (6,031,023.47)
Clean Energy Program Costs						
2a Admin & Program Development	\$ 13,971.98	\$ 11,794.18	\$ 23,838.55	\$ 13,865.43	\$ 11,547.05	\$ 25,202.02
2b Rebates, Grants & Other Direct Incentives	269,475.26	360,705.85	137,648.35	197,928.95	(84,840.77)	229,732.60
2c Evaluation & Related Research						
2d Sales, Call Center, Marketing & Web Site	15,623.15	3,922.05	5,682.82	9,118.99	2,266.50	6,600.31
2e Training (incl. Non-Promo Educational Mat'l)	2,189.23	2,979.91	4,382.65	2,012.63	1,168.19	2,297.34
2f Rebate Processing, Inspections & Other PC	8,258.93	31,207.04	23,774.35	13,177.68	15,497.73	74,219.66
2 JCP&L Administered Clean Energy Program Costs	\$ 309,518.55	\$ 410,609.03	\$ 195,326.72	\$ 236,103.68	\$ (54,361.30)	\$ 338,051.93
3 Payable to Fiscal Agent for Clean Energy Program	5,124,652.13	5,078,308.51	5,072,160.43	4,732,236.31	4,640,139.22	5,107,599.03
4 Total Clean Energy Program Costs (L2 + L3)	\$ 5,434,170.68	\$ 5,488,917.54	\$ 5,267,487.15	\$ 4,968,339.99	\$ 4,585,777.92	\$ 5,445,650.96
5 Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (545,483.23)	\$ (478,377.82)	\$ (299,378.55)	\$ (94,529.44)	\$ (181,903.13)	\$ (585,372.51)
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest						
	Jan.2016	Feb.2016	Mar.2016	Apr.2016	May 2016	Jun.2016
6 Beginning Balance - Deferred CEP Costs	\$ 12,955,179.85	\$ 12,409,696.62	\$ 11,931,318.80	\$ 11,631,940.25	\$ 11,537,410.81	\$ 11,355,507.68
7 Beginning Balance - Accrued Interest						
8 Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ 12,955,179.85	\$ 12,409,696.62	\$ 11,931,318.80	\$ 11,631,940.25	\$ 11,537,410.81	\$ 11,355,507.68
9 Rider DSF (Over)/Under Recovery (L5)	(545,483.23)	(478,377.82)	(299,378.55)	(94,529.44)	(181,903.13)	(585,372.51)
10 Ending Balance - Deferred CEP Costs (L8 + L9)	\$ 12,409,696.62	\$ 11,931,318.80	\$ 11,631,940.25	\$ 11,537,410.81	\$ 11,355,507.68	\$ 10,770,135.17
Calculation of Amount Due Fiscal Agent for the State of NJ						
11 Beginning Balance - (Payable to) Fiscal Agent	\$ (9,381,606.70)	\$ (10,075,820.58)	\$ (10,202,960.64)	\$ (10,150,468.94)	\$ (9,804,396.74)	\$ (9,372,375.53)
12 (Payable to) Fiscal Agent (-L2)	(5,124,652.13)	(5,078,308.51)	(5,072,160.43)	(4,732,236.31)	(4,640,139.22)	(5,107,599.03)
13 JCP&L Payments to Fiscal Agent	4,430,438.25	4,951,168.45	5,124,652.13	5,078,308.51	5,072,160.43	4,732,236.31
14 Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (10,075,820.58)	\$ (10,202,960.64)	\$ (10,150,468.94)	\$ (9,804,396.74)	\$ (9,372,375.53)	\$ (9,747,738.25)
15 Ending Deferred Balance Excluding Interest (L10 + L14)	\$ 2,333,876.04	\$ 1,728,358.16	\$ 1,481,471.31	\$ 1,733,014.07	\$ 1,983,132.15	\$ 1,022,396.92
Interest Calculation						
	Jan.2016	Feb.2016	Mar.2016	Apr.2016	May 2016	Jun.2016
16 Average CEP Deferred Balance Before Taxes = (L8+L11+L15)/2	\$ 2,953,724.60	\$ 2,031,117.10	\$ 1,604,914.74	\$ 1,607,242.69	\$ 1,858,073.11	\$ 1,502,764.54
17 Accumulated Deferred Income Taxes (L16 x 40.85%)	1,206,596.50	829,711.34	655,607.67	656,558.64	759,022.87	613,879.31
18 Average After Tax Deferred CEP Balance (L16 - L17)	\$ 1,747,128.10	\$ 1,201,405.76	\$ 949,307.07	\$ 950,684.05	\$ 1,099,050.24	\$ 888,885.23
19 Multiply By: Interest Rate	0.70210%	0.82340%	0.87770%	0.50400%	0.62600%	0.87480%
20 Divided By: Months Per Year	12	12	12	12	12	12
21 Interest Income/(Expense) (L18 x L19/L20)	\$ 1,022.22	\$ 824.36	\$ 694.34	\$ 399.29	\$ 573.34	\$ 648.00
22 Beginning Balance - Accrued Interest Account		1,022.22	1,846.58	2,540.92	2,940.21	3,513.55
23 Prior Year Accrued Interest Added to Deferred Bal. at Jan. 1, 2016						
24 Ending Balance - Accrued Interest Account (L21 + L22 + L23)	\$ 1,022.22	\$ 1,846.58	\$ 2,540.92	\$ 2,940.21	\$ 3,513.55	\$ 4,161.55
25 End'g Deferred CEP/DSM Balances Including Interest (L10 + L24)	\$ 12,410,718.84	\$ 11,933,165.38	\$ 11,634,481.17	\$ 11,540,351.02	\$ 11,359,021.23	\$ 10,774,296.72
26 Over Recovery Applied to SBC (if any)						
27 SBC (Over) Recovery Applied to DSF (if any)						
28 End'g Dfd.CEP Bal.Incl.Int.& SBC (Over) Rcvry (L25+L26+L27)	\$ 12,410,718.84	\$ 11,933,165.38	\$ 11,634,481.17	\$ 11,540,351.02	\$ 11,359,021.23	\$ 10,774,296.72
29 Ending Dfd.CEP Bals.Incl.Int.& (Payable) to Fiscal Agent (L14 + L28)	\$ 2,334,898.26	\$ 1,730,204.74	\$ 1,484,012.23	\$ 1,735,954.28	\$ 1,986,645.70	\$ 1,026,558.47

Notes:

- 1 May include in the current month, retroactive adjustments actually recorded in subsequent months.
- 2 As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2016 - December 31, 2016

Line #	Calculation of (Over)/Under Recovery	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	YTD 2016
1	Rider DSF Revenues (Note 2)	\$ (7,128,237.91)	\$ (8,253,590.99)	\$ (7,601,892.34)	\$ (5,634,109.43)	\$ (5,446,844.78)	\$ (5,648,944.04)	\$ (73,089,008.41)
Clean Energy Program Costs								
2a	Admin & Program Development	\$ 24,952.88	\$ 11,381.75	\$ 21,215.81	\$ 12,826.49	\$ 11,819.54	\$ 21,991.27	\$ 204,406.95
2b	Rebates, Grants & Other Direct Incentives	856,620.12	193,704.76	157,379.45	179,337.78	179,042.28	199,605.34	2,876,339.97
2c	Evaluation & Related Research	-	-	-	-	-	-	-
2d	Sales, Call Center, Marketing & Web Site	9,420.44	2,488.68	2,206.80	2,515.40	2,720.13	1,995.92	64,561.19
2e	Training (incl. Non-Promo Educational Mat'l)	7,570.52	1,606.69	1,459.45	1,741.00	1,965.57	1,441.08	30,814.26
2f	Rebate Processing, Inspections & Other PC	39,558.05	7,422.43	26,200.93	19,926.98	37,860.21	6,004.03	303,108.02
2	JCP&L Administered Clean Energy Program Costs	\$ 938,122.01	\$ 216,604.31	\$ 208,462.44	\$ 216,347.65	\$ 233,407.73	\$ 231,037.64	\$ 3,479,230.39
3	Payable to Fiscal Agent for Clean Energy Program	5,623,590.67	6,731,199.47	6,082,105.14	4,925,531.67	4,486,716.60	4,944,093.74	62,548,332.92
4	Total Clean Energy Program Costs (L2 + L3)	\$ 6,561,712.68	\$ 6,947,803.78	\$ 6,290,567.58	\$ 5,141,879.32	\$ 4,720,124.33	\$ 5,175,131.38	\$ 66,027,563.31
5	Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (566,525.23)	\$ (1,305,787.21)	\$ (1,311,324.76)	\$ (492,230.11)	\$ (726,720.45)	\$ (473,812.66)	\$ (7,061,445.10)
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest								
6	Beginning Balance - Deferred CEP Costs	\$ 10,770,135.17	\$ 10,203,609.94	\$ 8,897,822.73	\$ 7,586,497.97	\$ 7,094,267.86	\$ 6,367,547.41	\$ 12,955,179.85
7	Beginning Balance - Accrued Interest	-	-	-	-	-	-	-
8	Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ 10,770,135.17	\$ 10,203,609.94	\$ 8,897,822.73	\$ 7,586,497.97	\$ 7,094,267.86	\$ 6,367,547.41	\$ 12,955,179.85
9	Rider DSF (Over)/Under Recovery (L5)	(566,525.23)	(1,305,787.21)	(1,311,324.76)	(492,230.11)	(726,720.45)	(473,812.66)	(7,061,445.10)
10	Ending Balance - Deferred CEP Costs (L8 + L9)	\$ 10,203,609.94	\$ 8,897,822.73	\$ 7,586,497.97	\$ 7,094,267.86	\$ 6,367,547.41	\$ 5,893,734.75	\$ 5,893,734.75
Calculation of Amount Due Fiscal Agent for the State of NJ								
11	Beginning Balance - (Payable to) Fiscal Agent	\$ (9,747,738.25)	\$ (10,731,189.70)	\$ (12,354,790.14)	\$ (12,813,304.61)	\$ (11,007,636.81)	\$ (9,412,248.27)	\$ (9,381,606.70)
12	(Payable to) Fiscal Agent (-L2)	(5,623,590.67)	(6,731,199.47)	(6,082,105.14)	(4,925,531.67)	(4,486,716.60)	(4,944,093.74)	(62,548,332.92)
13	JCP&L Payments to Fiscal Agent	4,640,139.22	5,107,599.03	5,623,590.67	6,731,199.47	6,082,105.14	4,925,531.67	62,499,129.28
14	Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (10,731,189.70)	\$ (12,354,790.14)	\$ (12,813,304.61)	\$ (11,007,636.81)	\$ (9,412,248.27)	\$ (9,430,810.34)	\$ (9,430,810.34)
15	Ending Deferred Balance Excluding Interest (L10 + L14)	\$ (527,579.76)	\$ (3,456,967.41)	\$ (5,226,806.64)	\$ (3,913,368.95)	\$ (3,044,700.86)	\$ (3,537,075.59)	\$ (3,537,075.59)
Interest Calculation								
16	Average CEP Deferred Balance Before Taxes = (L8+L11+L15)/2	\$ 247,408.58	\$ (1,992,273.58)	\$ (4,341,887.02)	\$ (4,570,087.79)	\$ (3,479,034.90)	\$ (3,290,888.22)	
17	Accumulated Deferred Income Taxes (L16 x 40.85%)	101,066.40	(813,843.76)	(1,773,660.85)	(1,866,880.86)	(1,421,185.76)	(1,344,327.84)	
18	Average After Tax Deferred CEP Balance (L16 - L17)	\$ 146,342.18	\$ (1,178,429.82)	\$ (2,568,226.17)	\$ (2,703,206.93)	\$ (2,057,849.14)	\$ (1,946,560.38)	
19	Multiply By: Interest Rate	0.59680%	0.51720%	0.52930%	0.57980%	0.56440%	1.02890%	
20	Divided By: Months Per Year	12	12	12	12	12	12	
21	Interest Income/(Expense) (L18 x L19/L20)	\$ 72.78	\$ (507.90)	\$ (1,132.80)	\$ (1,306.10)	\$ (967.88)	\$ (1,669.01)	\$ (1,349.36)
22	Beginning Balance - Accrued Interest Account	4,161.55	4,234.33	3,726.43	2,593.63	1,287.53	319.65	-
23	Prior Year Accrued Interest Added to Deferred Bal. at Jan. 1, 2016	-	-	-	-	-	-	-
24	Ending Balance - Accrued Interest Account (L21 + L22 + L23)	\$ 4,234.33	\$ 3,726.43	\$ 2,593.63	\$ 1,287.53	\$ 319.65	\$ (1,349.36)	\$ (1,349.36)
25	End'g Deferred CEP/DSM Balances Including Interest (L10 + L24)	\$ 10,207,844.27	\$ 8,901,549.16	\$ 7,589,091.60	\$ 7,095,555.39	\$ 6,367,867.06	\$ 5,892,385.39	\$ 5,892,385.39
26	Over Recovery Applied to SBC (if any)	-	-	-	-	-	-	-
27	SBC (Over) Recovery Applied to DSF (if any)	-	-	-	-	-	(3,706,872.47)	(3,706,872.47)
28	End'g Dfd. CEP Bal. Incl. Int. & SBC (Over) Rcvry (L25+L26+L27)	\$ 10,207,844.27	\$ 8,901,549.16	\$ 7,589,091.60	\$ 7,095,555.39	\$ 6,367,867.06	\$ 2,185,512.92	\$ 2,185,512.92
29	Ending Dfd. CEP Bals. Incl. Int. & (Payable) to Fiscal Agent (L14 + L28)	\$ (523,345.43)	\$ (3,453,240.98)	\$ (5,224,213.01)	\$ (3,912,081.42)	\$ (3,044,381.21)	\$ (7,245,297.42)	\$ (7,245,297.42)

Notes:

- May include in the current month, retroactive adjustments actually recorded in subsequent months.
- As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	
Calculation of Monthly Deferred Cost:								
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,005,939.55)	(\$1,004,110.56)	(\$936,444.19)	(\$851,668.13)	(\$802,038.53)	(\$1,014,540.29)	(\$1,199,106.44)
2	Uncollectible Accounts Expense	\$379,533.55	\$781,229.91	\$320,942.55	\$969,434.84	\$866,716.33	\$716,678.25	\$511,368.34
3	Amount (Over)/Under Recovered	(\$626,406.00)	(\$222,880.65)	(\$615,501.64)	\$117,766.71	\$64,677.80	(\$297,862.04)	(\$687,738.10)
	Composite Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
Calculation of Interest on Deferred Balance:								
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	\$0.00	(\$626,406.00)	(\$849,286.65)	(\$1,464,788.29)	(\$1,347,021.58)	(\$1,282,343.78)	(\$1,580,205.82)
5	Current Period Deferral	(626,406.00)	(222,880.65)	(615,501.64)	117,766.71	64,677.80	(297,862.04)	(687,738.10)
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$626,406.00)	(\$849,286.65)	(\$1,464,788.29)	(\$1,347,021.58)	(\$1,282,343.78)	(\$1,580,205.82)	(\$2,267,943.92)
7	Deferred Tax Balance at End of Month	(255,886.85)	(346,933.60)	(598,366.02)	(550,258.32)	(523,837.43)	(645,514.08)	(926,455.09)
8	Balance Net of Deferred Tax at End of Month	(\$370,519.15)	(\$502,353.05)	(\$866,422.27)	(\$796,763.26)	(\$758,506.35)	(\$934,691.74)	(\$1,341,488.83)
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC							
10	Accumulated Deferred Interest at December 31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11	Deferred Tax at End of Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Interest Balance Net of Deferred Tax at End of Year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13	Total Average Balance Beg & End of Month Net of Tax	(\$185,259.57)	(\$436,436.10)	(\$684,387.66)	(\$831,592.77)	(\$777,634.81)	(\$846,599.04)	(\$1,138,090.29)
14	Interest Rate	0.7021%	0.8234%	0.8777%	0.5040%	0.6260%	0.8748%	0.5968%
15	Total Interest on Deferred Balance	(\$108.39)	(\$299.47)	(\$500.57)	(\$349.27)	(\$405.67)	(\$617.17)	(\$566.01)
16	Cumulative Interest Ending Balance	(\$108.39)	(\$407.86)	(\$908.43)	(\$1,257.70)	(\$1,663.37)	(\$2,280.54)	(\$2,846.55)
17	Application of net SBC Over-Recoveries per Tariff Rider SBC							
18	Reconciliation to Interest Ending Balance as Recorded	(\$108.39)	(\$407.86)	(\$908.43)	(\$1,257.70)	(\$1,663.37)	(\$2,280.54)	(\$2,846.55)

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	YTD	
Calculation of Monthly Deferred Cost:							
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,388,415.92)	(\$1,276,231.13)	(\$947,631.13)	(\$915,921.92)	(\$949,800.96)	\$ (12,291,848.75)
2	Uncollectible Accounts Expense	\$799,470.47	\$777,674.58	\$822,736.62	\$1,017,402.33	\$ 629,824.41	\$8,593,012.18
3	Amount (Over)/Under Recovered	(\$588,945.45)	(\$498,556.55)	(\$124,894.51)	\$101,480.41	(\$319,976.55)	(\$3,698,836.57)
	Composite Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	
Calculation of Interest on Deferred Balance:							
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	(\$2,267,943.92)	(\$2,856,889.37)	(\$3,355,445.92)	(\$3,480,340.43)	(\$3,378,860.02)	
5	Current Period Deferral	(588,945.45)	(498,556.55)	(124,894.51)	101,480.41	(319,976.55)	
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$2,856,889.37)	(\$3,355,445.92)	(\$3,480,340.43)	(\$3,378,860.02)	(\$3,698,836.57)	
7	Deferred Tax Balance at End of Month	(1,167,039.31)	(1,370,699.66)	(1,421,719.07)	(1,380,264.32)	(1,510,974.74)	
8	Balance Net of Deferred Tax at End of Month	(\$1,689,850.06)	(\$1,984,746.26)	(\$2,058,621.36)	(\$1,998,595.70)	(\$2,187,861.83)	
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC						
10	Accumulated Deferred Interest at December 31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
11	Deferred Tax at End of Year	0.00	0.00	0.00	0.00	0.00	
12	Interest Balance Net of Deferred Tax at End of Year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
13	Total Average Balance Beg & End of Month Net of Tax	(\$1,515,669.45)	(\$1,837,298.16)	(\$2,021,683.81)	(\$2,028,608.53)	(\$2,093,228.77)	
14	Interest Rate	0.5172%	0.5293%	0.5798%	0.5644%	1.0289%	
15	Total Interest on Deferred Balance	(\$653.25)	(\$810.40)	(\$976.81)	(\$954.12)	(\$1,794.77)	
16	Cumulative Interest Ending Balance	(\$3,499.80)	(\$4,310.20)	(\$5,287.01)	(\$6,241.13)	(\$8,035.90)	
17	Application of net SBC Over-Recoveries per Tariff Rider SBC					\$0.00	
18	Reconciliation to Interest Ending Balance as Recorded	(\$3,499.80)	(\$4,310.20)	(\$5,287.01)	(\$6,241.13)	(\$8,035.90)	(\$3,706,872.47)

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

Jersey Central Power & Light Company
Computation of Direct Load Control Programs ("DLC") Deferral Including Interest Recoverable Via Rider SCC
For the Period January 1, 2016 through December 31, 2016

Line No.	Computation Of (Over)/Under Recovery of Direct Load Control Program Costs	Jan.2016 through Dec.2016	Refer to Attachment D, Page 2,
Beginning Rider SCC Deferred Balances:			
1	(Over)/Under Recovery of Direct Load Control Program Costs at January 1, 2016	\$ -	Line 7
2	Accrued Interest on Deferred Direct Load Control Program Costs at January 1, 2016	-	Line 21
3	Beginning Deferred DLC Prog.Costs Incl.Interest at January 1, 2016 (L1 + L2)	<u>\$ -</u>	
Computation of (Over)/Under Recovery:			
4	Tariff Rider SCC Revenue Recovery	\$ (788,264.19)	Line 1
5	Total Direct Load Control Program Costs	-	Line 5
6	(Over)/Under Recovery of Direct Load Control Program Costs (L4 + L5)	<u>\$ (788,264.19)</u>	Line 6
7	Ending Deferred DLC Program Costs at December 31, 2016 Excl.Interest (L3 + L6)	<u>\$ (788,264.19)</u>	Line 10
8	Accrued Interest (Expense)	(1,902.12)	Line 20
9	Ending Deferred DLC Program Costs Incl.Interest at Dec.31, 2016 (L7 + L8)	<u>\$ (790,166.31)</u>	
10	Over-Recovery Applied to Rider RRC ^{1 & 2}	790,166.31	L11 + L25
11	Deferred Direct Load Program Costs Incl.Accrued Interest at Dec.31, 2016 (L9 + L10)	<u>\$ -</u>	Line 27
12	Current Tariff Rider SCC (\$ per kWh) Before SUT, effective September 1, 2016 ³	<u>\$0.000000</u>	
<p>¹ Per the BPU's Order in Docket No.ER10010034, signed June 15, 2011, the Board directed JCP&L to "transfer the existing under or over recovery in Rider SCC to Rider RRC, effective on July 1, 2011."</p> <p>² Per the BPU Order in Docket Nos. ER10020130, ER11070439 and ER12080756, dated August 20, 2014, "JCP&L will continue to apply the over-collections in Rider SCC, if any, to Rider RRC until such time as the Rider RRC rate is reset pursuant to a BPU Order, at which time the Rider SCC rate will then be reset to zero."</p> <p>³ Per the BPU Order in Docket Nos. ER14080869 and ER15090995, dated August 24, 2016, the Rider SCC rate was set to zero, effective September 1, 2016.</p>			

Jersey Central Power & Light Company
 Computation of the Monthly Systems Control Costs Deferral & Interest (Note 1)
 For the Year Ended December 31, 2016

Computation Of (Over)/Under Recovery		Formula	Jan. 2016	Feb. 2016	Mar. 2016	Apr. 2016	May 2016	Jun. 2016	Jul. 2016
1	Total Rider SCC Revenues (Note 2)		\$ (87,370.73)	\$ (87,205.66)	\$ (81,320.49)	\$ (73,953.34)	\$ (69,644.13)	\$ (88,101.11)	\$ (104,138.38)
Computation of Rider SCC (Over)/Under Recovery									
Direct Load Control Program Costs (DLC):									
2	Appliance Cycling Rebates excl.Pre-DSM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Direct Load Control Program Costs		-	-	-	-	-	-	-
4	DLC Program Related PJM ILR Revenues		-	-	-	-	-	-	-
5	Total DLC Program Costs	SUM(L2 : L4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Rider SCC (Over)/Under Recovery	L1 + L5	\$ (87,370.73)	\$ (87,205.66)	\$ (81,320.49)	\$ (73,953.34)	\$ (69,644.13)	\$ (88,101.11)	\$ (104,138.38)
Reconciliation of Deferred System Control Costs Accounts									
7	Beginning Balance - Deferred Direct Load Control Program Costs	Prior Mo.L12	\$ -	\$ (87,370.73)	\$ (174,576.39)	\$ (255,896.88)	\$ (329,850.22)	\$ (399,494.35)	\$ (487,595.46)
8	Annual Interest Reclass at August 1, 2016	- L22							
9	Beg.Bal. - Deferred DLC Incl.Annual Interest Reclass	SUM(L7 : L8)	\$ -	\$ (87,370.73)	\$ (174,576.39)	\$ (255,896.88)	\$ (329,850.22)	\$ (399,494.35)	\$ (487,595.46)
10	Deferral of Direct Load Control Program (Over)/Under Recovery	L6	(87,370.73)	(87,205.66)	(81,320.49)	(73,953.34)	(69,644.13)	(88,101.11)	(104,138.38)
11	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC							
12	Ending Balance - Deferred Direct Load Control Program Costs	SUM(L9:L11)	\$ (87,370.73)	\$ (174,576.39)	\$ (255,896.88)	\$ (329,850.22)	\$ (399,494.35)	\$ (487,595.46)	\$ (591,733.84)
Computation of Interest									
13	Beginning Balance - Deferred Direct Load Control Program Costs	L9	\$ -	\$ (87,370.73)	\$ (174,576.39)	\$ (255,896.88)	\$ (329,850.22)	\$ (399,494.35)	\$ (487,595.46)
14	Ending Balance - Deferred Direct Load Control Program Costs	L12 - L11	(87,370.73)	(174,576.39)	(255,896.88)	(329,850.22)	(399,494.35)	(487,595.46)	(591,733.84)
15	AVERAGE Principal Balance Before Deferred Taxes	Avg (L13 : L14)	\$ (43,685.37)	\$ (130,973.56)	\$ (215,236.64)	\$ (292,873.55)	\$ (364,672.29)	\$ (443,544.91)	\$ (539,664.65)
16	Accumulated Deferred Income Taxes	L15 x .4085%	(17,845.47)	(53,502.70)	(87,924.17)	(119,638.85)	(148,968.63)	(181,188.09)	(220,453.01)
17	AVERAGE Deferred DLC Principal Balance Excl.Deferred Taxes	L15 - L16	\$ (25,839.90)	\$ (77,470.86)	\$ (127,312.47)	\$ (173,234.70)	\$ (215,703.66)	\$ (262,356.82)	\$ (319,211.64)
18	Multiply By: Interest Rate		0.7021%	0.8234%	0.8777%	0.5040%	0.6260%	0.8748%	0.5968%
19	Divided By: Months Per Year		12	12	12	12	12	12	12
20	Interest Income/(Expense)	(L17 x L18) + L19	\$ (15.12)	\$ (53.16)	\$ (93.12)	\$ (72.76)	\$ (112.53)	\$ (191.26)	\$ (158.75)
			0.7021%	0.8234%	0.8777%	0.5040%	0.6260%	0.8748%	0.5968%
Accrued Interest Balance									
21	Beginning Balance - Accrued Interest Income/(Expense)	Prior Mo.L26	\$ -	\$ (15.12)	\$ (68.28)	\$ (161.40)	\$ (234.16)	\$ (346.69)	\$ (537.95)
22	Annual Interest Reclass at August 1, 2016	See Line 8							
23	Beginning Balance - Accrual After Prior Year Reclass JE	SUM(L21:L22)	\$ -	\$ (15.12)	\$ (68.28)	\$ (161.40)	\$ (234.16)	\$ (346.69)	\$ (537.95)
24	Interest Income/(Expense)	L20	(15.12)	(53.16)	(93.12)	(72.76)	(112.53)	(191.26)	(158.75)
25	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC							
26	Ending Bal. - Accrued Interest Expense Income/(Expense)	SUM(L23 : L25)	\$ (15.12)	\$ (68.28)	\$ (161.40)	\$ (234.16)	\$ (346.69)	\$ (537.95)	\$ (696.70)
27	Ending Bal. - Deferred DLC Program Costs Incl.Accrued Interest	L12 + L26	\$ (87,385.85)	\$ (174,644.67)	\$ (256,058.28)	\$ (330,084.38)	\$ (399,841.04)	\$ (488,133.41)	\$ (592,430.54)

Notes:

- May include in current month, retroactive adjustments recorded in subsequent months.
- As billed and reported in Report of Electric Sales.
- Per BPU Order in Docket No.ER10010034, signed June 15, 2011

Jersey Central Power & Light Company
 Computation of the Monthly Systems Control Costs Deferral & Interest (Note 1)
 For the Year Ended December 31, 2016

Computation Of (Over)/Under Recovery		Formula	Aug. 2016	Sep. 2016	Oct. 2016	Nov. 2016	Dec. 2016	YTD 2016
1	Total Rider SCC Revenues (Note 2)		\$ (120,588.71)	\$ (72,163.69)	\$ (59.96)	\$ (3,889.50)	\$ 171.51	\$ (788,264.19)
Computation of Rider SCC (Over)/Under Recovery								
Direct Load Control Program Costs (DLC):								
2	Appliance Cycling Rebates excl.Pre-DSM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Direct Load Control Program Costs		-	-	-	-	-	-
4	DLC Program Related PJM ILR Revenues		-	-	-	-	-	-
5	Total DLC Program Costs	SUM(L2 : L4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Rider SCC (Over)/Under Recovery	L1 + L5	\$ (120,588.71)	\$ (72,163.69)	\$ (59.96)	\$ (3,889.50)	\$ 171.51	\$ (788,264.19)
Reconciliation of Deferred System Control Costs Accounts								
7	Beginning Balance - Deferred Direct Load Control Program Costs	Prior Mo.L12	\$ (591,733.84)	\$ (713,019.25)	\$ (785,182.94)	\$ (785,242.90)	\$ (789,132.40)	\$ -
8	Annual Interest Reclass at August 1, 2016	- L22	(696.70)					(696.70)
9	Beg.Bal. - Deferred DLC Incl.Annual Interest Reclass	SUM(L7 : L8)	\$ (592,430.54)	\$ (713,019.25)	\$ (785,182.94)	\$ (785,242.90)	\$ (789,132.40)	\$ (696.70)
10	Deferral of Direct Load Control Program (Over)/Under Recovery	L6	(120,588.71)	(72,163.69)	(59.96)	(3,889.50)	171.51	(788,264.19)
11	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC					788,960.89	788,960.89
12	Ending Balance - Deferred Direct Load Control Program Costs	SUM(L9:L11)	\$ (713,019.25)	\$ (785,182.94)	\$ (785,242.90)	\$ (789,132.40)	\$ -	\$ -
Computation of Interest								
13	Beginning Balance - Deferred Direct Load Control Program Costs	L9	\$ (592,430.54)	\$ (713,019.25)	\$ (785,182.94)	\$ (785,242.90)	\$ (789,132.40)	
14	Ending Balance - Deferred Direct Load Control Program Costs	L12 - L11	(713,019.25)	(785,182.94)	(785,242.90)	(789,132.40)	(788,960.89)	
15	AVERAGE Principal Balance Before Deferred Taxes	Avg (L13 : L14)	\$ (652,724.90)	\$ (749,101.10)	\$ (785,212.92)	\$ (787,187.65)	\$ (789,046.65)	
16	Accumulated Deferred Income Taxes	L15 x .4085%	(266,638.12)	(306,007.80)	(320,759.48)	(321,566.16)	(322,325.55)	
17	AVERAGE Deferred DLC Principal Balance Excl.Deferred Taxes	L15 - L16	\$ (386,086.78)	\$ (443,093.30)	\$ (464,453.44)	\$ (465,621.49)	\$ (466,721.10)	
18	Multiply By: Interest Rate		0.5172%	0.5293%	0.5798%	0.5644%	1.0289%	
19	Divided By: Months Per Year		12	12	12	12	12	
20	Interest Income/(Expense)	(L17 x L18) + L19	\$ (166.40)	\$ (195.44)	\$ (224.41)	\$ (219.00)	\$ (400.17)	\$ (1,902.12)
Accrued Interest Balance								
21	Beginning Balance - Accrued Interest Income/(Expense)	Prior Mo.L26	\$ (696.70)	\$ (166.40)	\$ (361.84)	\$ (586.25)	\$ (805.25)	\$ -
22	Annual Interest Reclass at August 1, 2016	See Line 8	696.70					696.70
23	Beginning Balance - Accrual After Prior Year Reclass JE	SUM(L21:L22)	\$ -	\$ (166.40)	\$ (361.84)	\$ (586.25)	\$ (805.25)	\$ 696.70
24	Interest Income/(Expense)	L20	(166.40)	(195.44)	(224.41)	(219.00)	(400.17)	(1,902.12)
25	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC					1,205.42	1,205.42
26	Ending Bal. - Accrued Interest Expense Income/(Expense)	SUM(L23 : L25)	\$ (166.40)	\$ (361.84)	\$ (586.25)	\$ (805.25)	\$ -	\$ -
27	Ending Bal. - Deferred DLC Program Costs Incl.Accrued Interest	L12 + L26	\$ (713,185.65)	\$ (785,544.78)	\$ (785,829.15)	\$ (789,937.65)	\$ -	\$ -

Notes:

- 1 May include in current month, retroactive adjustments recorded in subsequent months.
- 2 As billed and reported in Report of Electric Sales.
- 3 Per BPU Order in Docket No.ER10010034, signed June 15, 2011

Attachment E
Proposed Tariff Sheets

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

XX Revised Sheet No. 43
Superseding Original Sheet No. 43

Rider SBC Societal Benefits Charge

APPLICABILITY: Rider SBC provides a charge applicable to all KWH usage of any Full Service Customer or Delivery Service Customer. The charges that may be included in calculating the SBC include nuclear plant decommissioning costs (Rider NDC), demand side management costs (Rider DSF), manufactured gas plant remediation costs (Rider RAC), uncollectible costs (Rider UNC), and universal service fund costs (Rider USF), in accordance with the New Jersey Electric Discount and Energy Competition Act. The current SBC includes the following charges per KWH:

		<u>Including SUT</u>
Rider DSF	\$0.003457	\$0.003695
Rider NDC	\$0.000000	\$0.000000
Rider RAC	\$0.000436	\$0.000466
Rider UNC	\$0.000352	\$0.000376
Rider USF	\$0.002589	\$0.002767

Carrying costs on unamortized balances of demand side management costs, nuclear decommissioning costs, manufactured gas plant remediation costs, uncollectible costs and universal service fund costs shall be calculated in accordance with the terms of Rider DSF, Rider NDC, Rider RAC, Rider UNC and Rider USF, respectively.

Effective the SBC shall be applied to all KWH usage for billing purposes as follows:

		<u>Including SUT</u>
Total SBC:	\$0.006834	\$0.007304

Beginning January 1, 2011, with the exception of universal service fund costs component, all over- and under-recoveries of individual SBC components are to be applied to under- or over-recoveries of other SBC components as of each December 31.

Issued:

Effective:

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

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

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

XX Rev. Sheet No. 44
Superseding Original Sheet No. 44

**Rider DSF
Demand Side Factor**

APPLICABILITY: Rider DSF provides a charge for costs associated with New Jersey Clean Energy Program. The DSF is included in the Societal Benefits Charge applicable to all KWH usage of any Full Service Customer or Delivery Service Customer.

DSF = \$0.003457 per KWH (\$0.003695 per KWH including SUT)

Demand Side Factor costs include carrying costs on any unamortized balances of such costs at the applicable interest approved by the BPU in its Final Order dated May 17, 2004 (Dockets Nos. ER02080506, et al.), such interest rate shall be the rate actually incurred on the Company's short-term debt (debt maturing in one year or less), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding. Interest shall be computed monthly based on the beginning and ending average monthly balance net of deferred income taxes, compounded annually (added to the balance on which interest is accrued annually) on January 1 of each year.

Issued:

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Docket No. dated**

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

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

XX Rev. Sheet No. 45
Superseding Original Sheet No. 45

**Rider NDC
Nuclear Decommissioning Costs**

APPLICABILITY: Rider NDC provides a charge for Nuclear Decommissioning costs. The NDC is included in the Societal Benefits Charge applicable to all KWH usage of any Full Service Customer or Delivery Service Customer.

NDC = \$0.000000 per KWH (\$0.000000 per KWH including SUT)

Nuclear Decommissioning costs include carrying costs on any unamortized balances of such costs at the applicable interest rate approved by the BPU in its Final Order dated May 17, 2004 (Docket Nos. ER02080506, et al.). Such interest rate shall be the rate actually incurred on the Company's short-term debt (debt maturing in one year or less), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding. Interest shall be computed monthly based on the beginning and ending average monthly balance net of deferred income taxes, compounded annually (added to the balance on which interest is accrued annually) on January 1 of each year.

Issued:

Effective:

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Docket No. dated**

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300 Madison Avenue, Morristown, NJ 07962-1911

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 12 ELECTRIC - PART III

XX Rev. Sheet No. 47
Superseding Original Sheet No. 47

**Rider UNC
Uncollectible Accounts Charge**

APPLICABILITY: Rider UNC provides a charge for costs associated with uncollectible accounts recorded in FERC account 904 (Uncollectible Accounts). The UNC is included in the Societal Benefits Charge applicable to all KWH usage of any Full Service Customer or Delivery Service Customer.

UNC = \$0.000352 per KWH (\$0.000376 per KWH including SUT)

Uncollectible costs include carrying costs on any unamortized balances of such costs at the applicable interest rate approved by the BPU in its Final Order dated May 17, 2004 (Docket Nos. ER02080506, et al.). Such interest rate shall be the rate actually incurred on the Company's short-term debt (debt maturing in one year or less), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding. Interest shall be computed monthly based on the beginning and ending average monthly balance net of deferred income taxes, compounded annually (added to the balance on which interest is accrued annually) on January 1 of each year.

Issued:

Effective:

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

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300 Madison Avenue, Morristown, NJ 07962-1911