



Agenda Date: 1/14/26

Agenda Item: 2E

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF JERSEY CENTRAL POWER & LIGHT)	ORDER ADOPTING
COMPANY'S VERIFIED PETITION TO SET A RATE FOR)	STIPULATION
RIDER LOST REVENUE ADJUSTMENT MECHANISM)	
FOR LOSSES INCURRED DURING THE INITIAL ONE-)	
YEAR PERIOD OF PROGRAM YEAR 3 OF ENERGY)	
EFFICIENCY AND CONSERVATION PLAN I ("PY3 INITIAL)	
PERIOD RIDER LRAM FILING"))	DOCKET NO. ER25020027

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Michael J. Martelo, Esq., FirstEnergy Service Company, for Petitioner, Jersey Central Power & Light Company

BY THE BOARD:

On January 31, 2025, Jersey Central Power & Light Company ("JCP&L" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking to modify its Rider Lost Revenue Adjustment Mechanism ("LRAM") tariff clause ("Rider LRAM") rates to recover the revenue impact of sales losses resulting from the implementation of energy efficiency ("EE") and peak demand reduction ("PDR") programs during the third program year ("PY3"), July 1, 2023, through June 30, 2024 ("PY3 Initial Period"), of its Energy Efficiency and Conservation Plan ("EE&C Plan") ("Petition").

By this Decision and Order, the Board considers a Stipulation of Settlement ("Stipulation") executed by Board Staff ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel"), and JCP&L (collectively, "Parties") intended to resolve all requests contained in the Petition.

BACKGROUND AND PROCEDURAL HISTORY

On January 13, 2008, Governor Corzine signed L. 2007, c. 340 ("RGGI Act") into law. The RGGI Act includes findings that EE and conservation measures are essential elements of the State's energy future, and that greater reliance on EE and conservation will provide significant benefits to the citizens of New Jersey.¹

¹ N.J.S.A. 26:2C-45.

Pursuant to Section 13 of the RGGI Act, an electric or gas public utility may provide and invest in EE and conservation programs in its service territory.² Upon Board approval, EE and conservation programs may be eligible for rate treatment, including a return on equity or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas.³ Ratemaking treatment may include placing appropriate technology and program cost investments in the utility's rate base or recovering the utility's technology and program costs through another ratemaking methodology approved by the Board, including, but not limited to, the Societal Benefits Charge established pursuant to Section 12 of L. 1999, c. 23.⁴ An electric or gas utility seeking cost recovery for any EE and conservation programs must file a petition with the Board.⁵

On May 23, 2018, Governor Murphy signed L. 2018, c. 17, N.J.S.A. 48:3-87.8 *et seq.*, into law ("CEA"). The CEA calls for aggressive energy reduction, greater emphasis on the importance of EE and PDR, and requires the Board to adopt an EE program, "to ensure investment in cost-effective energy efficiency measures, ensure universal access to energy efficiency measures, and serve the needs of low-income communities."⁶ The CEA calls upon New Jersey's electric and gas public utilities to increase the delivery of EE and PDR programs to customers via the reduction of electricity and natural gas usage.⁷

Also on May 23, 2018, Governor Murphy issued Executive Order 28 ("EO 28"), thereby directing the Board to create a new Energy Master Plan ("EMP") with the aim to "provide a comprehensive blueprint for the total conversion of the State's energy production profile to 100% clean energy sources on or before January 1, 2050" as well as "provide specific proposals to be implemented over the next ten (10) years in order to achieve the January 1, 2050 goal."⁸

By Order dated April 27, 2021, the Board authorized JCP&L to implement the EE&C Plan, as well as to implement its LRAM to account for lost sales revenue resulting from its EE and PDR programs.⁹

² N.J.S.A. 48:3-98.1(a)(1).

³ N.J.S.A. 48:3-98.1(b).

⁴ N.J.S.A. 48:3-60.

⁵ N.J.S.A. 48:3-98.1(b).

⁶ N.J.S.A. 48:3-87(g).

⁷ N.J.S.A. 48:3-87.9(a).

⁸ Exec. Order No. 28 (May 23, 2018).

⁹ In re the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs (JCP&L EE&C), BPU Docket Nos. QO19010040 and EO20090620, Order dated April 27, 2021 ("April 2021 Order").

By Order dated December 18, 2024, the Board approved the initial Rider LRAM Rates, which accounted for potential lost sales revenue resulting from its EE and PDR programs.¹⁰

Petition

By the Petition, JCP&L sought Board approval to establish and implement rates for Rider LRAM for PY3. JCP&L proposed to recover projected to be incurred in PY3 of its EE&C Plan with a proposed revenue requirement of \$16,398,315, as detailed in the table below:

JCP&L Program + Carrying Costs (July 1, 2023 to June 30, 2024)	\$13,823,657
Partner Utilities (July 2023 to June 2024) + Carrying Costs	\$564,568
Partner Utilities (July 2022 to June 2023) + Carrying Costs	\$424,756
Projected Balance of LRAM Regulatory Asset through December 2025	\$1,585,334
Total Revenue Requirement	\$16,398,315

Following adequate public notice, two (2) virtual public hearings were held on May 15, 2025, at 4:30 p.m. and 5:30 p.m. No members of the public attended, and the Board received no written comments on this matter.

STIPULATION

Following a review of the Petition, and conducting discovery, the Parties executed the Stipulation, which provides for the following:¹¹

12. The Parties agree that, for the PY 3 Initial Period, JCP&L's revenue requirement for lost revenues resulting from reduced electricity sales associated with the EE&C Plan is \$16,398,315 (inclusive of interest carrying charge), as set forth in Attachment A of the Stipulation. The Parties acknowledge that this amount includes: all known sales losses incurred during the PY3 Initial Period resulting from the implementation of EE and PDR Programs, including lost revenues from energy savings transferred to JCP&L from its partner gas utilities for energy savings realized during the PY3 Initial Period; lost revenues from energy savings transferred to JCP&L from its partner gas utilities arising under circumstances where measures were installed during PY1 and PY2 and for which energy savings were realized during PY2; and the projected under recovery of approved Rider LRAM revenue requirement through December 31, 2025.

¹⁰ In re Jersey Central Power & Light Company's Verified Petition to Establish a Rate for Rider Lost Revenue Adjustment Mechanism for Sales Losses Incurred During Program Year 1 Pursuant to the Energy Efficiency and Peak Demand Reduction Programs (PY1 Rider LRAM Filing) AND In re Jersey Central Power & Light Company's Verified Petition to Establish a Rate for Rider LRAM for Sales Losses Incurred During Program Year 2 Pursuant to the Energy Efficiency and Peak Demand Reduction Programs (PY 2 Rider LRAM Filing), BPU Docket Nos. ER23080483 and ER23110865, Order dated December 18, 2024 ("December 2024 Order").

¹¹ Although summarized 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 conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

13. The Parties agree that rates for Rider LRAM (including SUT) shall be set as follows:

Service Classification	Including SUT
Residential (RS)	\$0.000971 per kWh
Residential Time-of-Day/Geothermal Heat Pump (RT/RGT)	\$0.000934 per kWh
General Service – Secondary (GS)	\$0.001001 per kWh
General Service – Time of Use (GST)	\$0.29 per kW
General Service – Primary (GP)	\$0.21 per kW
General Service – Transmission (GT)	\$0.12 per kW
Lighting (OL, SVL, MVL, SVL, and LED)	\$0.003781 per kWh

14. The Parties agree that JCP&L shall continue to use deferral accounting for its Rider LRAM when the Rider LRAM rates become effective. The LRAM Regulatory Asset in the amount of \$16,398,315 shall be amortized over the twelve (12)-month period following the effective date of the Rider LRAM rates. The over/under recovery of the net of LRAM revenue as compared to the amortization shall be subject to interest on a monthly basis at an interest rate equal to the rate on two (2)-year constant maturity Treasuries, as shown in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty (60) basis points, compounded annually as of January 1 of each year. The balance of this deferral account shall be included in future Rider LRAM filings.

15. The Parties agree to the updates made to the Rider LRAM Tariff page, provided as Attachment B of the Stipulation, which includes both a clean version of the updated page and a redline version showing the changes made from the page in effect as of a date to be approved by the Board. The rate impact for a typical residential customer using 777 kWh per month, inclusive of SUT, amounts to a monthly bill increase of \$0.38, or 0.3%, as compared to rates in effect at the time of filing.

DISCUSSION AND FINDINGS

The Board, having reviewed the record in this proceeding, including the Petition and the Stipulation, **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. As such, the Board **HEREBY ADOPTS** the Stipulation in its entirety, and **HEREBY INCORPORATES** the terms of the Stipulation as though fully set forth herein.

The Board **HEREBY APPROVES** the LRAM rates delineated in the Stipulation, for services rendered on and after February 1, 2026. As a result of the Stipulation, a typical residential customer using 777 kWh per month would see an increase in their monthly bill of \$0.38.

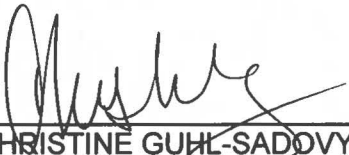
The Board **HEREBY ORDERS** JCP&L to file revised tariff sheets conforming to the terms of the Stipulation by January 30, 2026.

The Company's costs, including those related to the LRAM, will remain subject to audit by the Board. This Decision and Order shall neither preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

This Order shall be effective January 21, 2026.

DATED: January 14, 2026

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRIL L. LEWIS
BOARD 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 JERSEY CENTRAL POWER & LIGHT COMPANY'S VERIFIED PETITION TO SET A RATE
FOR RIDER LOST REVENUE ADJUSTMENT MECHANISM FOR LOSSES INCURRED DURING THE INITIAL
ONE-YEAR PERIOD OF PROGRAM YEAR 3 OF ENERGY EFFICIENCY AND CONSERVATION PLAN I ("PY3
INITIAL PERIOD RIDER LRAM FILING")

BPU DOCKET NO. ER25020027

SERVICE LIST

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December 11, 2025

VIA ELECTRONIC MAIL

Sherri L. Lewis, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
board.secretary@bpu.nj.gov

**Re: In the Matter of Jersey Central Power & Light Company's Verified Petition to Set a Rate for Rider Lost Revenue Adjustment Mechanism for Losses Incurred During the Initial One-Year Period of Program Year 3 of Energy Efficiency & Conservation Plan I ("PY3 Initial Period Rider LRAM Filing")
BPU Docket No. ER25020027**

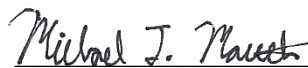
Dear Secretary Lewis:

On behalf of Jersey Central Power & Light Company, please find enclosed for filing with the New Jersey Board of Public Utilities ("BPU" or the "Board") a fully executed Stipulation along with attachments A and B.

Consistent with the Board's Order issued on March 19, 2020, in In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, this filing is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. This filing is also being served upon the balance of persons on the enclosed service list. No paper copies will follow.

If you have any questions, please feel free to contact me.

Respectfully submitted,



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Counsel for Jersey Central Power & Light Company

Enclosures
CC: Service List (email)

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

**IN THE MATTER OF JERSEY
CENTRAL POWER & LIGHT
COMPANY’S VERIFIED PETITION TO
SET A RATE FOR RIDER LOST
REVENUE ADJUSTMENT
MECHANISM FOR LOSSES
INCURRED DURING THE INITIAL
ONE-YEAR PERIOD OF PROGRAM
YEAR 3 OF ENERGY EFFICIENCY
AND CONSERVATION PLAN I (“PY3
INITIAL PERIOD RIDER LRAM
FILING”)**

STIPULATION OF SETTLEMENT

BPU DOCKET NO. ER25020027

APPEARANCES:

Michael J. Martelo, Esq., FirstEnergy Service Company, for Petitioner, Jersey Central Power & Light Company

Steven A. Chaplar, Esq., Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin, Esq.**, Attorney General of the State of New Jersey)

Maura Caroselli, Esq., Managing Attorney – Gas, **Mamie W. Purnell, Esq.**, Assistant Deputy Rate Counsel, and **Michael Lombardi, Esq.**, Assistant Deputy Rate Counsel for the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director)

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

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

The Parties do hereby join in recommending that the New Jersey Board of Public Utilities (“Board” or “BPU”) issue an Order approving this Stipulation based upon the following provisions.

BACKGROUND

1. By Order dated April 27, 2021, the Board approved JCP&L's Energy Efficiency and Conservation Plan for Triennium 1 ("EE&C Plan" or "Plan").¹ By the April 2021 Order, the Board authorized JCP&L to recover lost revenues from reduced electric sales demonstrated to have resulted from the EE&C Plan by way of a lost revenue adjustment mechanism ("LRAM") that includes a tariff clause, "Rider LRAM."

2. In accordance with the April 2021 Order, on July 31, 2023, in BPU Docket No. ER23080483, JCP&L filed with the Board a petition, including supporting schedules, seeking to establish and implement rates for Rider LRAM, which would allow the Company to recover the revenue impact of all then-known sales losses resulting from the implementation of the EE&C Plan during the first year of the Plan, running from July 1, 2021, through June 30, 2022 ("PY1"). The Company then filed an amended petition in the same proceeding on October 25, 2023. This filing is referred to herein as the "PY1 Filing."

3. On November 28, 2023, in BPU Docket No. ER23110865, JCP&L filed with the Board another petition, including supporting schedules, seeking to establish and implement rates for Rider LRAM, which would allow the Company to recover, among other things, the revenue impact of all then-known sales losses resulting from the implementation of the EE&C Plan during the second year of the Plan, running from July 1, 2022, through June 30, 2023 ("PY 2"). This filing is referred to herein as the "PY 2 Filing."

¹ In re the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs (JCP&L EE&C), BPU Docket Nos. QO19010040 and EO20090620, Order dated April 27, 2021 ("April 2021 Order").

4. By Order dated February 14, 2024, the Board approved JCP&L's 2023 Base Rate Filing.² The distribution rates used to calculate lost distribution revenue effective June 1, 2024, were developed from the Company's test year billing determinants for the 2023 Base Rate Filing, which was from July 1, 2022, through June 30, 2023. The savings achieved from programs installed before and during the test year period (*i.e.*, PY1 and PY2, respectively) were reflected in the test year billing determinants. Thus, beginning on June 1, 2024, the amount of these savings was to be disallowed and excluded from the lost revenue calculation in all future lost revenue filings.

5. By Order dated May 22, 2024, the Board reacknowledged JCP&L's authority to seek recovery of the revenue impact of sales losses resulting from the EE&C Plan through Rider LRAM, directing JCP&L to file its next Rider LRAM filing for the third year of the Plan, running from July 1, 2023, through June 30, 2024 ("PY3 Initial Period"), "as soon as practicable after the data for the pertinent period becomes available."³

6. By Order dated December 18, 2024, the Board resolved both the PY1 and PY2 Filings.⁴ The December 2024 Order recognized that JCP&L's revenue requirement for lost revenues resulting from reduced electricity sales associated with the EE&C Plan is, for PY1,

² In re the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in, and Other Adjustments to, Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connection Therewith ("JCP&L 2023 Base Rate Filing"), BPU Docket No. ER23030144, Order dated February 1, 2024.

³ In re the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. EO20090620, Order dated May 22, 2024.

⁴ In re Jersey Central Power & Light Company's Verified Petition to Establish a Rate for Rider Lost Revenue Adjustment Mechanism for Sales Losses Incurred During Program Year 1 Pursuant to the Energy Efficiency and Peak Demand Reduction Programs ("PY1 Rider LRAM Filing"), In re Jersey Central Power & Light Company's Verified Petition to Establish a Rate for Rider LRAM for Sales Losses Incurred During Program Year 2 Pursuant to the Energy Efficiency and Peak Demand Reduction Programs ("PY2 Rider LRAM Filing"), BPU Docket Nos. ER23080483 & ER23110865, Order dated December 18, 2024 ("December 2024 Order").

\$1,181,309, and, for PY2, \$9,129,562. The December 2024 Order authorized JCP&L to book these amounts in the LRAM Regulatory Asset and amortize them over the twelve (12)-month period following the effective date of Rider LRAM rates, *i.e.*, December 30, 2024. The December 2024 Order further directed JCP&L to use deferral accounting for its Rider LRAM recovery when the Rider LRAM rates became effective.

7. As set by the December 2024 Order, the Rider LRAM rates are currently as follows:

<u>Service Classification</u>	<u>Including Sales and Use Tax (“SUT”)</u>
Residential (RS)	\$0.000546 per kilowatt-hour (“kWh”)
Residential Time-of-Day/Geothermal Heat Pump (RT/RGT)	\$0.000580 per kWh
General Service – Secondary (GS)	\$0.000494 per kWh
General Service – Time of Use (GST)	\$0.18 per kW
General Service – Primary (GP)	\$0.12 per kW
General Service – Transmission (GT)	\$0.07 per kW
Lighting (OL, SVL, MVL, SVL, and LED)	\$0.002198 per kWh

By the December 2024 Order, the Board directed that the over/under recovery of the net of LRAM revenue recovered through the Rider LRAM rates set above as compared to the amortization is subject to interest on a monthly basis at an interest rate equal to the rate on two (2)-year constant maturity Treasuries, as shown in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty (60) basis points, compounded annually as of January 1 of each year. Also by the December 2024 Order, the Board directed JCP&L to include the balance of this deferral account in future Rider LRAM filings.

8. The Board further directed JCP&L to file its Rider LRAM Filing for the PY3 Initial Period in or around January 2025, permitting the Company to claim therein, among other amounts:

- a. Certain additional lost revenues (along with carrying charges) from energy savings transferred to the Company from its partner gas utilities arising under circumstances where measures were installed during PY1 and for which energy savings were realized during PY2 and the PY3 Initial Period.
- b. Certain additional lost revenues (along with carrying charges) from energy savings transferred to the Company from its partner gas utilities arising under circumstances where measures were installed during PY2 and for which energy savings were realized during PY2 and the PY3 Initial Period.

9. In accordance with the December 2024 Order, on January 31, 2025, JCP&L filed with the Board the instant petition, including supporting schedules, seeking to set new rates for Rider LRAM (“PY3 Initial Period Filing”). According to JCP&L, the proposed rates would allow the Company to recover the revenue impact of: all known sales losses incurred during the PY3 Initial Period resulting from the implementation of Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs, including lost revenues from energy savings transferred to JCP&L from its partner gas utilities for energy savings realized during the PY3 Initial Period; lost revenues from energy savings transferred to JCP&L from its partner gas utilities arising under circumstances where measures were installed during PY1 and PY2 and for which energy savings were realized during PY2; and the projected under recovery of approved Rider LRAM revenue requirement through December 31, 2025.

10. Following the publishing of notice in newspapers of general circulation in the Company’s service territory, public hearings in this matter were held on May 15, 2025. No

members of the public commented during the public hearings or filed written comments with the Board.

11. Having reviewed the PY3 Initial Period Filing, all supplements thereto, and all responses to discovery exchanged in this proceeding, the Parties hereby stipulate and agree as follows.

STIPULATED MATTERS

12. The Parties agree that, for the PY 3 Initial Period, JCP&L's revenue requirement for lost revenues resulting from reduced electricity sales associated with the EE&C Plan is \$16,398,315 (inclusive of interest carrying charge), as set forth in Attachment A to this Stipulation. The Parties acknowledge that this amount includes: all known sales losses incurred during the PY3 Initial Period resulting from the implementation of EE and PDR Programs, including lost revenues from energy savings transferred to JCP&L from its partner gas utilities for energy savings realized during the PY3 Initial Period; lost revenues from energy savings transferred to JCP&L from its partner gas utilities arising under circumstances where measures were installed during PY1 and PY2 and for which energy savings were realized during PY2; and the projected under recovery of approved Rider LRAM revenue requirement through December 31, 2025.

13. The Parties agree that rates for Rider LRAM (including SUT) shall be set as follows:

<u>Service Classification</u>	<u>Including SUT</u>
Residential (RS)	\$0.000971 per kWh
Residential Time-of-Day/Geothermal Heat Pump (RT/RGT)	\$0.000934 per kWh
General Service – Secondary (GS)	\$0.001001 per kWh
General Service – Time of Use (GST)	\$0.29 per kW

General Service – Primary (GP)	\$0.21 per kW
General Service – Transmission (GT)	\$0.12 per kW
Lighting (OL, SVL, MVL, SVL, and LED)	\$0.003781 per kWh

14. The Parties agree that JCP&L shall continue to use deferral accounting for its Rider LRAM when the Rider LRAM rates become effective. The LRAM Regulatory Asset in the amount of \$16,398,315 shall be amortized over the twelve (12)-month period following the effective date of the Rider LRAM rates. The over/under recovery of the net of LRAM revenue as compared to the amortization shall be subject to interest on a monthly basis at an interest rate equal to the rate on two (2)-year constant maturity Treasuries, as shown in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty (60) basis points, compounded annually as of January 1 of each year. The balance of this deferral account shall be included in future Rider LRAM filings.

15. The Parties agree to the updates made to the Rider LRAM Tariff page, provided as Attachment B hereto, which includes both a clean version of the updated page and a redline version showing the changes made from the page in effect as of a date to be approved by the Board. The rate impact for a typical residential customer using 777 kWh per month, inclusive of SUT, amounts to a monthly bill increase of \$0.38, or 0.3%, as compared to rates in effect at the time of filing.

CONCLUSION

16. 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.

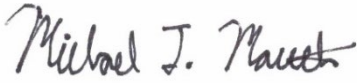
17. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and, except as otherwise expressly provided for herein:

- 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.

18. 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
PETITIONER**

By: 
MICHAEL J. MARTELO, ESQ.
COUNSEL

Dated: December 10, 2025

**BRIAN O. LIPMAN, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL**

By: 
MAMIE W. PURNELL, ESQ.
ASSISTANT DEPUTY RATE COUNSEL

Dated: December 9, 2025

**MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities**

By: 
STEVEN CHAPLAR, ESQ.
DEPUTY ATTORNEY GENERAL

Dated: December 8, 2025

Line # Description

	Lost Distribution Revenue	Carrying Cost {1}	Lost Distribution Revenue including Carrying Cost	Reference
1 JCP&L Program (July 2023 to June 2024)	\$12,510,694	\$1,312,963		A.2
2 Partner Utilities (July 2023 to June 2024)	\$508,998	\$55,570		A.3
3 Partner Utilities (July 2022 to June 2023)	<u>\$369,965</u>	<u>\$54,791</u>		A.4
	\$13,389,657	\$1,423,324	\$14,812,981	
4 Projected Balance of LRAM Regulatory Asset through December 2025			<u>\$1,585,334</u>	A.5
5 Proposed for Recovery January through December 2026			\$16,398,315	

{1} 2-Year Treasury Note yield plus 60 basis points through December 2025

Service Classification	Distribution	Allocation	Rev. Req.	Forecast	Effective January 1, 2026 LRAM Proposed		Proof	rounding
	Revenue *	Factor	Allocation	kWh/kW **	\$/kWh, \$/kW	(including SUT)		
6 RS	\$397,899,598	55%	\$8,945,884	9,820,710,587	\$0.000911	\$0.000971	\$8,946,667	0.0000001
7 RT/RGT	\$7,302,312	1%	\$164,176	187,476,919	\$0.000876	\$0.000934	\$164,230	0.0000003
8 GS	\$243,533,885	33%	\$5,475,316	5,833,471,684	\$0.000939	\$0.001001	\$5,477,630	0.0000004
9 GST	\$11,608,228	2%	\$260,985	951,002	\$0.27	\$0.29	\$256,771	0.0000000
10 GP	\$27,556,440	4%	\$619,545	3,166,591	\$0.20	\$0.21	\$633,318	0.0000000
11 GT	\$21,401,009	3%	\$481,154	4,186,817	\$0.11	\$0.12	\$460,550	0.0000000
12 Lighting (OL, SVL, MVL, SVL and LEC)	<u>\$20,071,155</u>	<u>3%</u>	<u>\$451,255</u>	127,246,239	\$0.003546	\$0.003781	<u>\$451,215</u>	-0.0000003
13 Total	\$729,372,627	100%	\$16,398,315				\$16,390,381	(\$7,935) <= Rounding

* Per Board Order dated 2/14/2024 in "JCP&L 2023 Base Rate Filing", BPU Docket No. ER23030144, Attachment 1, Schedule YP - 4, Page 1 of 14

** kWh forecast for RS, RT/RGT, GS and Lighting from January 2026 through December 2026

kW forecast for GST, GP and GT from January 2026 to December 2026

XX Rev. Sheet No. 67

BPU No. 14 ELECTRIC - PART III

Superseding XX Rev. Sheet No. 67

Rider LRAM**JCP&L Lost Revenue Adjustment Mechanism Charge**

APPLICABILITY: The Lost Revenue Adjustment Mechanism Charge ("Rider LRAM" or "LRAM Charge") provides for recovery of the revenue impact of sales losses demonstrated to have resulted from the Company's Energy Efficiency and Peak Demand Reduction Programs, subject to regulations pursuant to N.J.S.A. 48:3-98. 1(a)(1) and as approved by the BPU Order.

The JCP&L LRAM Charge is applicable to Service Classifications RS (Residential Service), RT (Residential Time-of-Day), RGT (Residential Geothermal & Heat Pump), GS (General Service Secondary), GST (General Service Secondary Time-of-Day), GP (General Service Primary), GT (General Service Transmission), OL (Outdoor Lighting), SVL (Sodium Vapor Street Lighting), MVL (Mercury Vapor Street Lighting), ISL (Incandescent Street Lighting) and LED (LED Street Lighting) and for all usage (KWH and KW) of any Full Service Customer or Delivery Service Customer, as follows:

LRAM Charge effective January 1, 2026

<u>Service Classification</u>	<u>LRAM Charge (Including SUT)</u>
RS	\$0.000971 per KWH
RT/RGT	\$0.000934 per KWH
GS	\$0.001001 per KWH
GST	\$0.29 per KW
GP	\$0.21 per KW
GT	\$0.12 per KW
Lighting (OL, SVL, MVL, SVL and LED)	\$0.003781 per KWH

The Company will submit to the BPU as soon as practicable after the data becomes available for each year to recover the lost distribution revenue the Company's Energy Efficiency and Peak Demand Reduction Programs for the preceding year ended June 30th. The lost distribution revenue in each filing will be considered verified once the underlying energy savings have been verified through the Evaluation Measurement & Verification process undertaken by the Company's independent evaluator, subject to BPU review. Any adjustment of the amount of savings used to determine lost revenue recovery resulting from the verification process, but not completed by the time of filing, will be included in the following year's reconciliation. Within each rate filing, there will be a reconciliation of actual revenues received compared to the approved LRAM amortization, including carrying costs. The applicable carrying cost is calculated on a monthly basis at an interest rate equal to the rate on two-year constant maturity Treasuries, as show in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty basis points, compounded annually as of January 1 of each year. All subsequent filings will adhere to the Company's recovery periods as approved by the Board.

Issued:

Effective:

Filed pursuant to Order of Board of Public Utilities

Docket No. dated

Issued by William Douglas Mokoid, President
300 Madison Avenue, Morristown, NJ 07962-1911

~~2nd~~ XX Rev. Sheet No. 67

BPU No. 14 ELECTRIC - PART III

Superseding ~~1st~~ XX Rev. Sheet No. 67**Rider LRAM****JCP&L Lost Revenue Adjustment Mechanism Charge**

APPLICABILITY: The Lost Revenue Adjustment Mechanism Charge ("Rider LRAM" or "LRAM Charge") provides for recovery of the revenue impact of sales losses demonstrated to have resulted from the Company's Energy Efficiency and Peak Demand Reduction Programs, subject to regulations pursuant to N.J.S.A. 48:3-98. 1(a)(1) and as approved by the BPU Order.

The JCP&L LRAM Charge is applicable to Service Classifications RS (Residential Service), RT (Residential Time-of-Day), RGT (Residential Geothermal & Heat Pump), GS (General Service Secondary), GST (General Service Secondary Time-of-Day), GP (General Service Primary), GT (General Service Transmission), OL (Outdoor Lighting), SVL (Sodium Vapor Street Lighting), MVL (Mercury Vapor Street Lighting), ISL (Incandescent Street Lighting) and LED (LED Street Lighting) and for all usage (KWH and KW) of any Full Service Customer or Delivery Service Customer, as follows:

LRAM Charge effective ~~December 30, 2024~~ January 1, 2026

Service Classification	LRAM Charge (Including SUT)
RS	\$0.000546000971 per KWH
RT/RGT	\$0.000580000934 per KWH
GS	\$0.000494001001 per KWH
GST	\$0.18-29 per KW
GP	\$0.1221 per KW
GT	\$0.0712 per KW
Lighting (OL, SVL, MVL, SVL and LED)	\$0.002198003781 per KWH

The Company will submit to the BPU as soon as practicable after the data becomes available for each year to recover the lost distribution revenue the Company's Energy Efficiency and Peak Demand Reduction Programs for the preceding year ended June 30th. The lost distribution revenue in each filing will be considered verified once the underlying energy savings have been verified through the Evaluation Measurement & Verification process undertaken by the Company's independent evaluator, subject to BPU review. ~~Within each rate filing, there will be a reconciliation of actual revenues received compared to the approved LRAM amortization, including carrying costs, through the end of June of each year.~~ Any adjustment of the amount of savings used to determine lost revenue recovery resulting from the verification process, but not completed by the time of filing, will be included in the following year's reconciliation. ~~Within each rate filing, there will be a reconciliation of actual revenues received compared to the approved LRAM amortization, including carrying costs, through the end of June of each year.~~ The applicable carrying cost is calculated on a monthly basis at an interest rate equal to the rate on two-year constant maturity Treasuries, as show in the Federal Reserve Statistical Release on or closest to January 1 of each year, plus sixty basis points, compounded annually as of January 1 of each year. All subsequent filings will adhere to the Company's recovery periods as approved ~~in the above referenced BPU Order~~ by the Board.

Issued: ~~December 26, 2024~~Effective: ~~December 30, 2024~~

Filed pursuant to Order of Board of Public Utilities

Docket Nos. ~~ER23080483 & ER23110865~~ dated ~~December 18, 2024~~

Issued by William Douglas Mokoid, President
300 Madison Avenue, Morristown, NJ 07962-1911

In the Matter of Jersey Central Power &
Light Company's Verified Petition
to Set a Rate for Rider Lost Revenue
Adjustment Mechanism for Losses
Incurred During the Initial One-Year
Period of Program Year 3 of Energy
Efficiency and Conservation Plan I
("PY3 Initial Period Rider
LRAM Filing")
BPU Docket No. ER25020027

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