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July 17, 2023

VIA ELECTRONIC MAIL

Sherri Golden, 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 Seeking Review and Approval of the Net Deferred Costs Included in Its COVID-19 Regulatory Asset and Establishment of a COVID-19 Recovery Charge ("JCP&L Initial CRC-Filing")
Docket No.**

Dear Secretary Golden:

On behalf of Jersey Central Power & Light Company ("JCP&L" or the "Company"), attached please find for filing with the Board of Public Utilities (the "Board") JCP&L's Verified Petition (with supporting testimony and exhibits) seeking to recover the prudently incurred incremental costs related to COVID-19 in its above-captioned "JCP&L Initial CRC-Filing."

I hereby confirm that copies of this letter and the enclosed Attachment are this day being served by electronic mail upon the Director, Division of Rate Counsel, Department of Law & Public Safety, Division of Law, and the balance of the persons named in the attached Service List.

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

Very truly yours,



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Counsel for Jersey Central Power & Light Company

Enclosures
cc: Service List

**In the Matter of the New Jersey Board of Public Utilities’
Response to the COVID-19 Pandemic
BPU Docket No. A020060471**

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**In the Matter of the New Jersey Board of Public Utilities’
Response to the COVID-19 Pandemic
BPU Docket No. A020060471**

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Purpose of Filing

3. The purpose of this filing is to seek review and approval of the net deferred costs included in the Company's COVID-19 regulatory asset ("COVID Costs") and to establish an annually reconcilable COVID-19 recovery charge ("Rider CRC") for the recovery of same.

4. For the reasons set forth below, JCP&L is proposing to establish Rider CRC to recover its COVID Costs over a four-year period beginning October 1, 2023. Consistent with the approach approved by the Board for other surcharge recovery mechanisms,¹ JCP&L is also proposing that a carrying charge, set at the interest rate on five-year United States treasury notes plus sixty basis points, be applied to the outstanding COVID Costs beginning March 16, 2023 (*i.e.*, the end of the regulatory asset deferral period) until such time as the COVID Costs are fully recovered through Rider CRC.

¹ *In re the Verified Petition of Jersey Central Power & Light Company For the Review and Approval of Costs Incurred for Environmental Remediation of Manufactured Gas Plant Sites Pursuant to the Remediation Adjustment Clause of its Filed Tariff*, BPU Docket No. ER21101155 ("2020 RAC Filing"), Order Approving Stipulation Dated August 17, 2022 (Order entered on August 26, 2022).

Background

5. On July 2, 2020, the Board issued an Order Authorizing Establishment of a Regulatory Asset for Incremental COVID-19 Related Expenses, under BPU Docket No. AO20060471 (the “July 2020 Order”). In the July 2020 Order, the Board acknowledged that “regulated utilities’ response to the COVID-19 pandemic, including but not limited to, complying with the Governor’s COVID-19-related Executive Orders, could cause the State’s regulated utilities to incur significant and extraordinary COVID-19 related expenditures that could have a negative financial impact on the State’s regulated utilities.”² Accordingly, the Board authorized the utilities to “create a COVID-19-related regulatory asset by deferring on their books and records the prudently incurred incremental costs related to COVID-19 beginning on March 9, 2020 and through September 30, 2021, or 60 days after Governor Murphy issues an order, declaration, proclamation, or similar announcement that the Public Health Emergency is no longer in effect, or in the absence of such an order, declaration, proclamation or similar announcement, 60 days from the time the Public Health Emergency automatically terminates pursuant to N.J.S.A. 26:13-3(b), whichever is later.”³ The July 2020 Order further required, among other things, that all affected utilities file a petition for cost recovery with the Board by December 31, 2021 or within 60 days of the close the regulatory asset period, whichever was later.

6. On September 14, 2021, the Board issued an Order under BPU Docket No. AO20060471 (the “September 2021 Order”) extending the regulatory asset period established by the July 2020 Order from September 30, 2021 to December 31, 2022.⁴ The September 2021 Order

² *In re the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic*, BPU Docket No. AO20060471 (“COVID Regulatory Asset Proceeding”), Order Authorizing Establishment of a Regulatory Asset for Incremental COVID-19 Related Expenses at 2 (July 2, 2020) (“July 2020 Order”).

³ *Id.* at 3.

⁴ COVID Regulatory Asset Proceeding, Order at 6 (Sept. 14, 2021) (“September 2021 Order”).

further required, among other things, that the utilities file a petition for cost recovery within 60 days of this new end date for the regulatory asset period.⁵

7. On December 21, 2022, the Board issued an Order Extending the Regulatory Asset Period under BPU Docket No. AO20060471 (the “December 2022 Order”) extending the regulatory asset period established in the September 2021 Order from December 31, 2022 to March 15, 2023.⁶ Consistent with the Board’s prior orders pertaining to the utilities’ COVID-19-related regulatory assets, the Board required that the utilities submit a petition for cost recovery by no later than 60 days from the close of the extended regulatory asset period.

8. On May 10, 2023, the Board issued an Order Extending the COVID-19 Regulatory Asset Recovery Filing Period under BPU Docket No. AO20060471 (the “May 2023 Order”) extending the deadline for utilities to submit their petitions for cost recovery by no later than July 17, 2023.⁷ The July 2020 Order, September 2021 Order, December 2022 Order and May 2023 Order are collectively referred to herein as the “COVID Regulatory Asset Orders.”

COVID Costs

9. Consistent with the requirements of the COVID Regulatory Asset Orders, JCP&L has been quarterly submitting to the Board a report breaking down the COVID Costs deferred through the conclusion of the previous quarter. Generally, the categories of incremental COVID Costs identified in those reports has included: (a) Communications, (b) COVID-19 Pandemic employee recognition, (c) COVID-19 preparation and response, (d) general business and travel, (e) incremental accounts receivable carrying charges, (f) lost productivity, (g) medical services,

⁵ *Id.*

⁶ COVID Regulatory Asset Proceeding, Order Extending the Regulatory Asset Period at 7 (Dec. 21, 2022) (“December 2022 Order”).

⁷ COVID Regulatory Asset Proceeding, Order Extending the Regulatory Asset Recovery Filing Period at 3 (May 10, 2023) (“May 2023 Order”).

(h) personal protection equipment, (i) recruited contingent labor and direct COVID-19 overtime labor, and (j) storm preparation and response relating to tropical storm Isaias.

10. Attached as **Exhibit JC-01** is the Direct Testimony of Dennis L. Pavagadhi, which details the various operations-related changes at JCP&L necessitated by COVID-19 and provides information about the Company's response to Tropical Storm Isaias and how it was impacted by COVID-19.

11. Attached as **Exhibit JC-02** is the Direct Testimony of Mark A. Myers, which details the amounts deferred in the COVID-19 regulatory asset.

12. Attached as **Exhibit JC-03** is the Direct Testimony of Jennifer Spricigo, which details the Company's proposed cost recovery mechanism for the COVID Costs.

CRC Mechanism, Revenue Requirement, and Proposed Tariff

13. As set forth in the Direct Testimony of Jennifer Spricigo, JCP&L is proposing to amortize its COVID Costs over a four-year period and recover them through an annually reconcilable surcharge mechanism, Rider CRC. As proposed, Rider CRC will recover the COVID Costs utilizing a non-bypassable dollars per kilowatt-hour ("kWh") charge applicable to all rate schedules. JCP&L further proposes to make annual Rider CRC reconciliation filings, the purpose of which will be to review the remaining balance in the Company's COVID-19-related regulatory asset and adjust Rider CRC as appropriate.

14. As set forth in Schedule JS-1 to the Direct Testimony of Jennifer Spricigo, the Company has calculated total COVID Costs as of October 1, 2023, including carrying costs, of \$30,761,869. Given the proposed four-year amortization period, this results in a first-year revenue requirement of \$8.2m and a proposed rate of \$0.000414/kWh exclusive of Sales and Use Tax,

representing a 0.3% increase in the monthly bill for a typical residential customer using the class average 783 kWh per month.

15. Schedule JS-4 to the Direct Testimony of Jennifer Spricigo includes the Company's proposed tariff for Rider CRC.

Attachments

16. Attached hereto and made a part of this Verified Petition are the following Exhibits and Appendices supporting the Company's request:

Appendix A	Proposed Form of Public Notice
Exhibit JC-01	Direct Testimony of Dennis L. Pavagadhi
Exhibit JC-02	Direct Testimony of Mark A. Myers
Exhibit JC-03	Direct Testimony of Jennifer Spricigo

Notice

17. Attached as **Appendix A** is a Proposed Form of Public Notice for a virtual public hearing regarding the establishment of Rider CRC and the setting of an initial rate for same. The Company proposes that virtual public hearings on this Verified Petition be conducted at a date and at times agreed upon by the parties, and to be included in the Final Public Notice. The Final Public Notice will be published and served in accordance with N.J.A.C. 14:1-5.12 (b)-(d).

Service of Petition

18. Consistent with the Board's March 19, 2020 Order in Docket No. EO20030254, copies of this Verified Petition, and all supporting Exhibits and Appendices thereto, have been or will be duly served by electronic mail to the Director, Division of Rate Counsel, and the Department of Public Law and Safety, Division of Law.

CONCLUSION

WHEREFORE, the Petitioner, Jersey Central Power & Light Company, respectfully requests that the Board issue a Final Order and Decision:

- (1) approving JCP&L's request to establish Rider CRC to recover, as set forth herein, the Company's COVID Costs determined to be reasonable and prudent;
- (2) setting Rider CRC at an initial rate of \$0.000414 per kWh, exclusive of SUT, effective October 1, 2023;
- (3) authorizing the Company to continue its COVID-19-related regulatory asset until such time as the COVID Costs are fully recovered and the asset balance is set to zero; and
- (4) granting such other and further relief as the Board shall deem just, lawful and proper.

Respectfully submitted,



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(330) 690-8329
tgiesler@firstenergycorp.com

Counsel for Jersey Central Power & Light Company

AFFIDAVIT
OF
VERIFICATION

Mark A. Mader, being duly sworn upon his oath, deposes and says:

1. I am the Director, Rates and Regulatory Affairs – New Jersey, supporting Jersey Central Power & Light Company (“JCP&L” or the “Company”), the Petitioner named in the foregoing Verified Petition, and I am duly authorized to make this Affidavit of Verification on its behalf.

2. I have read the contents of the foregoing Verified Petition by JCP&L insofar as it relates to the Company’s request to establish the Rider CRC to recover the Company’s COVID Costs, and I hereby verify that the statements of fact and other information contained therein are true and correct to the best of my knowledge, information, and belief.



Mark A. Mader

Sworn to and subscribed before me
This 17th day of July, 2023.



Tori L. Giesler
An Attorney-at-Law Licensed to Practice in the State of New Jersey
Attorney ID: 009152008

ATTACHMENT A

Proposed Form of Public Notice for a virtual public hearing

PUBLIC NOTICE

JERSEY CENTRAL POWER & LIGHT COMPANY

**In the Matter of Jersey Central Power &
Light Company's Verified Petition Seeking
Review and Approval of the Net Deferred Costs
Included in Its COVID-19 Regulatory Asset and
Establishment of a COVID-19 Recovery Charge
("JCP&L Initial CRC Filing")**

BPU Docket No.

PLEASE TAKE NOTICE:

On July 17, 2023, Jersey Central Power & Light Company ("JCP&L" or "Company") filed a verified petition ("Petition") with the New Jersey Board of Public Utilities ("Board") for the review and approval of the net deferred costs included in the Company's COVID-19 regulatory asset ("COVID Costs") and to establish an annually reconcilable COVID-19 recovery charge ("Rider CRC") for recovery of same. Rider CRC will allow the Company to recover its incremental operations costs associated with the COVID-19 pandemic.

As set forth in the Company's Petition, JCP&L is proposing an initial Rider CRC rate of \$0.000414 per kilowatt-hour, exclusive of sales and use tax. With the proposed introduction of Rider CRC, annual revenues from Rider CRC are projected to approximately be \$8.2 million.

To permit customers to determine the approximate effect of the proposed Rider CRC rate, comparisons of present and proposed rates are shown in Table #1. The Company will, upon request, furnish any assistance required by customers in this regard.

The Board, in its discretion, may apply all or any portion of a rate adjustment to other rate schedules, or in a different manner than what JCP&L has proposed in this filing. Accordingly, the final rates and charges will be determined by the Board in this proceeding and may be different from what JCP&L described and provided in the Petition.

Notice of this filing, together with a statement of the effect thereof on customers, is being served upon the clerk, executive, and/or administrator of each municipality and county within the Company's service area. Such notice has also been served, together with the supporting attachments, upon the office of the New Jersey Division of Rate Counsel ("Rate Counsel"), who will represent the interests of ratepayers in these proceedings.

PLEASE TAKE FURTHER NOTICE that virtual public hearings are scheduled on the following date and times so that members of the public may present their views on the Petition.

Date:
Link:
Dial In Number:
Phone Conference ID:
Meeting ID:
Passcode:

When prompted, enter the Meeting ID number to access the meeting.

Representatives from the Company, Board Staff, and Rate Counsel will participate in the virtual public hearings. Members of the public may participate by utilizing the link or dial-in information set forth above and may express their views on the Petition. To encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#). Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:
Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

Table #1
Comparison of Present and Proposed Rates

Summary of Customer Impact				
	Residential Average Bill (Includes 6.625% Sales and Use Tax)			
	Current	Proposed	Proposed	Proposed
	Monthly	Monthly	Monthly	Monthly
	Bill (1)	Bill (2)	Increase \$	Increase %
Residential (RS)				
500 kWh average monthly usage	\$72.74	\$72.96	\$0.22	0.3%
1000 kWh average monthly usage	\$150.52	\$150.96	\$0.44	0.3%
1500 kWh average monthly usage	\$230.38	\$231.04	\$0.66	0.3%
Residential Time of Day (RT)				
500 kWh average monthly usage	\$78.19	\$78.41	\$0.22	0.3%
1000 kWh average monthly usage	\$149.33	\$149.77	\$0.44	0.3%
1500 kWh average monthly usage	\$220.47	\$221.13	\$0.66	0.3%
Overall Class Average Per Customer (Includes 6.625% Sales and Use Tax)				
	Current	Proposed	Proposed	Proposed
	Monthly	Monthly	Monthly	Monthly
	Bill (1)	Bill (2)	Increase \$	Increase %
Rate Class				
Residential (RS)	\$120.63	\$120.98	\$0.35	0.3%
Residential Time of Day (RT/RGT)	\$166.49	\$166.99	\$0.50	0.3%
General Service – Secondary (GS)	\$621.32	\$623.23	\$1.91	0.3%
General Service - Secondary Time of Day (GST)	\$35,286.24	\$35,379.97	\$93.73	0.3%
General Service – Primary (GP)	\$49,182.67	\$49,328.84	\$146.17	0.3%
General Service – Transmission (GT)	\$126,172.28	\$126,591.59	\$419.31	0.3%
Lighting (Average Per Fixture)	\$11.80	\$11.82	\$0.02	0.2%
{1} Rates effective 6/1/2023				
{2} Proposed effective TBD				

JERSEY CENTRAL POWER & LIGHT COMPANY

EXHIBIT JC-01

Direct Testimony of Dennis L. Pavagadhi

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**In the Matter of Jersey Central Power & Light Company's Verified Petition
Seeking Review and Approval of the Net Deferred Costs Included in Its
COVID-19 Regulatory Asset and Establishment of a COVID-19 Recovery
Charge ("JCP&L Initial CRC Filing")**

Direct Testimony of Dennis L. Pavagadhi

RE: JCP&L's Operational Response to the COVID-19 Pandemic

**DIRECT TESTIMONY OF DENNIS PAVAGADHI ON BEHALF OF
JERSEY CENTRAL POWER & LIGHT COMPANY**

1 **I. Introduction and Background**

2 **Q. Please state your name and business address.**

3 **A.** My name is Dennis L. Pavagadhi. My business address is 300 Madison Avenue,
4 Morristown, New Jersey 07962-1911.

5 **Q. By whom are you employed and in what capacity?**

6 **A.** I am employed by Jersey Central Power & Light Company (“JCP&L” or “Company”) as
7 Director, Operations. As I will explain in additional detail below, I am one of four such
8 directors for JCP&L. In this capacity, I report to the President of JCP&L. My
9 responsibilities include leading the JCP&L Operations regional organization for the
10 northern half of JCP&L’s Northern New Jersey region (“Northern Region”). This includes
11 responsibility for lines, substation, meter services, and the fleet organizations within my
12 designated area. Each of the three other JCP&L operations directors are similarly
13 responsible for (i) the southern half of the JCP&L Northern Region, (ii) the northern half
14 of the JCP&L Central New Jersey region (“Central Region”), and (iii) the southern half of
15 the Central Region, respectively.

16 **Q. Please briefly describe your educational and professional background.**

17 **A.** I have worked for JCP&L for over 28 years. Prior to 2022, beginning in October of 2019,
18 in my position as Director, Operations Services, I was responsible for the work performed
19 by JCP&L’s fourteen local line shops and two Regional transmission line shops,
20 inspecting, and maintaining the Company’s distribution line plant, JCP&L’s Regional
21 Engineering department, which performs distribution level system planning, reliability,
22 design and project management functions, as well as the Company’s Claims department.

1 Prior to my position (as Director, Operations Services), I was the Director, Operations
2 Support from 2014 to October 2019. In that role, I was responsible for JCP&L’s two
3 Distribution Control Centers (“DCCs”), Regional Work Management, and the Substation
4 Department at JCP&L. From 2005 to 2014, I was the Manager of Engineering Services.
5 In that capacity, I was responsible for the distribution and sub-transmission planning,
6 protection, new business, and reliability engineering groups for Morristown. In addition,
7 I also managed the asset records, mapping, joint use, rights-of-way, and project
8 management groups within the engineering department. Prior to 2005, I held various
9 engineering, operations, and managerial positions at the Company. Prior to joining
10 JCP&L, I served as an engineer for Decision System Technologies at Picatinny Arsenal
11 and John Brown Engineering & Construction. At Decision System Technologies, I
12 designed defense systems. At John Brown Engineering & Construction, I designed various
13 electrical and mechanical systems. I am a licensed Registered Professional Engineer in
14 New Jersey and Pennsylvania, and a Certified Energy Manager. I hold a Bachelor of
15 Science degree in Engineering from the New Jersey Institute of Technology, a Master of
16 Science degree from the New Jersey Institute of Technology, and a Master of Science
17 degree in Management from the College of Saint Elizabeth.

18 **Q. Have you previously testified in BPU proceedings?**

19 A. Yes. I provided my most recent testimony in JCP&L’s 2023 base rate filing in BPU Docket
20 No. ER23030144. In 2020, I provided testimony in JCP&L’s base rate filing in BPU
21 Docket No. ER20020146 (the “2020 Base Rate Filing”), which was settled prior to
22 hearings. In 2018 and 2019, I provided testimony in the Company’s Infrastructure
23 Investment Program (“IIP”) filing in BPU Docket No. EO18070728 (the “JCP&L

1 Reliability Plus Proceeding”). In addition, I provided pre-filed testimony in *I/M/O the*
2 *Verified Petition of Jersey Central Power & Light Company for Review and Approval of*
3 *Increases in, and Other Adjustments to, Its Rates and Charges for Electric Services, and*
4 *for Approval of Other Proposed Tariff Revisions in Connection Therewith* (“2016 Base
5 Rate Filing”) at BPU Docket No. ER16040383, which was settled prior to hearings.
6 Earlier, I also testified in the Company’s 2012 base rate filing in BPU Docket No.
7 ER12111052 (the “2012 Base Rate Filing”). I have also testified on behalf of the Company
8 in other proceedings, such as before Land Use and Planning Boards for zoning and variance
9 approvals for distribution and sub-transmission projects.

10 **Q. What is the purpose of your direct testimony?**

11 A. My direct testimony is submitted in support of JCP&L’s Verified Petition Seeking Review
12 and Approval of the Net Deferred Costs Included in Its COVID-19 Regulatory Asset and
13 Establishment of a COVID-19 Recovery Charge (“Petition”). JCP&L’s Petition seeks
14 review and approval of (and a recovery charge for) incremental costs prudently incurred
15 by the Company due to the COVID-19 pandemic, net of identified reductions in operating
16 expense, in the conduct of its operations as a result of state, federal, and regulatory
17 guidelines and/or requirements, as well as management’s exercise of judgment related to
18 social distancing for employees and public safety measures taken to protect our employees
19 and customers. The purpose of my testimony in support of this Petition is to describe the
20 COVID-related operational changes made by JCP&L and to explain why these operational
21 changes were reasonable and necessary for the continued provision of safe and reliable
22 electric service to the Company’s customers, while supporting the health and safety of

1 JCP&L’s workforce, their families, and its customers and to comply with government
2 directives.

3
4 **II. The COVID-19 Pandemic**

5 **Q. Please explain what you mean when referring to JCP&L’s response to the COVID-**
6 **19 pandemic.**

7 A. When discussing JCP&L’s response to the COVID-19 pandemic, I am referring to the
8 actions that the Company implemented beginning in March 2020, and continuing in some
9 cases through March 15, 2023, which is when the deferral mechanism that is the subject of
10 this proceeding closed in accordance with the directive from the Board.

11 A brief historical background is relevant to JCP&L’s response to the COVID-19
12 pandemic. The World Health Organization (“WHO”) declared the COVID-19 virus a
13 public health emergency of global concern on January 30, 2020. On March 11, 2020, the
14 WHO declared the COVID-19 virus a global pandemic. On January 31, 2020, the United
15 States Department of Health and Human Services Secretary declared a Public Health
16 Emergency for the United States to aid the nation’s healthcare community in responding
17 to COVID-19. The United States and other countries took unprecedented steps to slow the
18 spread of the virus to prevent overwhelming the medical system with severely ill patients.
19 In New Jersey, Governor Murphy issued Executive Order (“EO”) 103, declaring a Public
20 Health Emergency (“PHE”) and State of Emergency (“SOE”), effective March 9, 2020.¹
21 In early March 1FirstEnergy Corp. (“FirstEnergy”) and its operating companies, including

¹ In subsequent EOs, Governor Murphy extended, lifted, or issued a new Coronavirus-related Public Health Emergency, while maintaining the SOE in effect. Pursuant to EO 292, Governor Murphy terminated the Coronavirus-related PHE, effective March 7, 2022, and maintained the SOE in effect until terminated by the Governor.

1 JCP&L, instituted an emergency remote work structure in response to the growing
2 concerns and government directives regarding the rapid spread and health impacts of
3 COVID-19 across the world and specifically, the United States. Very quickly, JCP&L
4 made many operations-related changes in order to continue to provide safe and reliable
5 service to our customers while supporting the health and safety of its workforce, their
6 families, and to ensure compliance with governmental directives. These governmental
7 directives^[REDACTED] included implementation of aggressive social distancing measures,
8 prohibitions on large gatherings, closures or restrictions on hours of operation for certain
9 businesses and non-essential services (EO 104), stay at home orders (EO 107), cessation
10 of all non-essential electric utility construction projects and mandated COVID safety
11 measures for certain businesses (EO 122), and the mandated use of personal protective
12 equipment/masks in certain situations (EOs 163, 251). In addition, the Board's March 19,
13 2020 Order, *In the Matter of the New Jersey Board of Public Utilities' Response to the*
14 *COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-essential*
15 *Obligations*, Docket No. EO20030254, directed all public utilities and regulated entities to
16 immediately cease any in-home or business visits unless there was an immediate risk to
17 health and safety. The United States Department of Homeland Security's (DHS's)
18 Cybersecurity and Infrastructure Security Agency (CISA) also issued guidance that the
19 Company followed with respect to remote working and social distancing. (DHS/CISA
20 *Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and*
21 *National Resilience in COVID-19 Response.*)

22 Consequently, JCP&L's actions in response to the COVID-19 pandemic were in
23 response to, and consistent with, the government and board directives as well as DHS/CISA

1 guidelines and its own desire and responsibility to keep employees and customers safe
2 while providing essential services.

3 **Q. As a result of the pandemic, did JCP&L implement any changes in its incident**
4 **command structure (“ICS”) or its daily operations to address the COVID-19**
5 **pandemic?**

6 A. Yes. JCP&L’s ICS is always operational. However, JCP&L and FirstEnergy instituted
7 additional measures to diligently monitor the COVID-19 situation, made plans to keep their
8 employees and customers safe and continued to provide safe and reliable service. The
9 Corporate Emergency Operations Center (“EOC”) began monitoring the COVID-19
10 situation on January 25, 2020. The Corporate EOC initiated enhanced situation monitoring
11 and assessment activities on February 3, 2020, and escalated to full activation on Monday,
12 March 16, 2020, at 08:00AM, to conduct situation monitoring, assessment, and
13 coordination of efforts related to messaging and guidance enterprise-wide, regarding
14 initiatives and execution of the FirstEnergy pandemic plans. Corporate coordination calls
15 and situation reports were distributed daily. In addition, JCP&L implemented internal
16 daily assessments in the early stages of the pandemic, and then periodically (generally
17 weekly or more often as needed), regarding essential functions, curtailment of work,
18 transition to telework, and review of staffing reduction plans and procedures in accordance
19 with enterprise-wide guidance. JCP&L vigilantly monitored developments related to
20 COVID-19 through information provided by the Company’s internal medical consultants,
21 the Center for Disease Control (“CDC”), the National Institute of Health, and the WHO.

1 **Q. What were your responsibilities at JCP&L during the COVID-19 pandemic?**

2 A. I was one of three directors at JCP&L reporting to the Vice President of Operations. As
3 Director of Operations Services, I had the largest organization within JCP&L, with
4 approximately 700 employees reporting to me. My areas of responsibility for JCP&L
5 included: Lines, Engineering, and the Claims Department. The Director of Operations
6 Support had responsibility for: Substations, the DCCs, and Work Management. The third
7 Operations Director had responsibility for: Meter Services, Meter Reading, Forestry, and
8 Fleet. Having responsibility for the largest number of employees at JCP&L at the onset of
9 the pandemic, I had a role in shaping the changes to JCP&L's work practices in response
10 to the pandemic.

11 The tri-state area was hit particularly hard by the pandemic and was quickly
12 devastated by the effects and rapid spread of the virus. Dramatic changes had taken place
13 by early April 2020. Businesses had shuttered, and the day-to-day activities of most
14 citizens had significantly changed. JCP&L quickly realized that business-as-usual
15 operations would also have to be modified substantially in the interests of safety and in
16 order to comply with the various governmental restrictions and requirements imposed
17 during this time.

18 **Q. Please summarize the Company's approach to addressing operations during the**
19 **pandemic.**

20 A. The Company's primary objective was to ensure continued safe and reliable service to our
21 customers, as well as the health and wellbeing of its employees. Indeed, DHS/CISA
22 expressly recognized workers in the energy sector as essential employees. (*DHS/CISA ;*
23 *DHS/CISA Advisory Memorandum On Ensuring Essential Critical Infrastructure Workers'*

1 *Ability To Work During The Covid-19 Response*, August 10, 2021 (“DHS Guidance”.) The
2 intent of the DHS/CISA guidance was to help the private sector, as well as state and local
3 government partners, identify the industry sectors and related workers necessary to
4 maintain essential services while responding to COVID-19. The DHS/CISA’s guidance
5 included an advisory that, to the extent possible, workers should be encouraged to work
6 remotely. When continuous remote work was not possible, businesses were encouraged to
7 enlist strategies such as social distancing to reduce the likelihood of spreading the disease.
8 DHS guidance recognized that State and local governments “are responsible for designing,
9 implementing and executing response activities in their communities, while the Federal
10 Government remains in a supporting role. While adhering to relevant public health
11 guidance, critical infrastructure owners and operators are expected to use their own
12 judgment on issues of the prioritization of business processes and workforce allocation to
13 best ensure worker safety and the continuity of the essential goods and services. Decisions
14 should appropriately balance public safety, the health and safety of the workforce, and the
15 continued delivery of essential critical infrastructure functions.” (*DHS/CISA Guidance*,
16 August 10, 2021, para. 4.)

17 Moreover, EO 107 cited utility workers as one example of employees who need to
18 be physically present at their work site. Following this guidance, the governmental
19 directives, and BPU Board Order of March 19, 2020, and understanding the highly
20 contagious nature of COVID-19, one of our primary objectives was to make sure our
21 employees could still perform their essential duties while social distancing. JCP&L’s
22 essential physical employees must work in teams to safely complete jobs for many physical

1 tasks. Our plan also considered the need for social distancing while employees were
2 commuting to and from the job sites.

3 By understanding the necessity for social distancing and limiting employee contact
4 to control the spread of the virus, JCP&L was able to provide its customers with the
5 essential services they needed. The secondary layer of protection was the use of personal
6 protective equipment “PPE”.

7 **III. JCP&L’s COVID-19-Related Operations Changes**

8 **Q.** Can you please briefly summarize the operations-related changes made by JCP&L in
9 response to the pandemic?

10 **A.** Based on the information available at the start of the pandemic, the virus was reported to
11 be transmitted by airborne particles, mainly through person-to-person contact and
12 proximity. Symptoms of the illness were reported to include fever, cough, and shortness
13 of breath, which could appear in as few as two or as long as 14 days after exposure, with a
14 possibility of long-term effects or even death. Therefore, social distancing and limiting
15 exposure among employees, as well as customers, was at the core of the plan. The
16 Operations leadership put procedures in place to limit the interaction and proximity
17 between employees and customers as much as practical.

18 **Q.** **Can you please provide further detail regarding the steps taken by the Company to**
19 **promote social distancing?**

20 **A.** Yes. Generally, JCP&L modified its work practices using the following methods to
21 promote social distancing:

- 22 • Working in pods
- 23 • Employee work from home accommodations (non-physical employees);

- 1 • Social distancing for the Distribution Control Center (DCC); and
- 2 • Additional vehicle rentals so employees could travel to and from the job sites
- 3 individually.

4 **Q. Can you please provide greater detail on the working in pods concept?**

5 A. Yes. Pods were made up of a small number of employees who would work together to
6 limit exposure and prevent transmission of the virus. The pod concept entailed employees
7 staying and working within their pod as much as possible. In certain locations, crews were
8 called out as pods to reduce exposure to other employees. However, this caused
9 inefficiencies within the organization. Pods required employees to work in the same
10 groups during normal business hours and for callouts. In many cases, this meant calling
11 out workers in groups instead of by opportunity list, which in some cases added time to the
12 callout process. Also, during the height of the pandemic, JCP&L avoided teaming
13 employees from different districts so, occasionally, this would add to response times,
14 waiting for local employees to respond to callouts as opposed to moving resources from
15 one district to another. Additionally, JCP&L took measures to minimize potential COVID-
16 19 exposures. Where there was any risk of an employee having been exposed to COVID-
17 19, that employee was sent home to reduce exposure risk for others in the workforce.

18 Overtime was utilized to limit the comingling of employees among pods and pods
19 among districts. Additionally, the Company asked non-essential non-field personnel to
20 work from home to reduce exposure, while the majority of field personnel were remote
21 reporting in pods to over 90 locations. Creation of the pods came with additional expenses,
22 including bathroom facilities, office trailers, and washing stations. In addition to the above,

1 the pods required water, hand sanitizers, bleach, pump and spray bottles, sanitizing wipes,
2 surgical and dust masks, alcohol, disposable gloves, and thermometers.

3 The pod concept started by asking employees to remote report to substations or
4 other Company facilities. The locations were outfitted with Port-A-Johns and other spaces,
5 including office and storage trailers, as needed. These locations were utilized as alternate
6 reporting locations throughout the pandemic. At times, materials were also stored at these
7 locations to prevent employees from having to go to Company facilities. Operations
8 leadership also believed it was important for employees to social distance as they were
9 traveling to and from job sites. There were some inefficiencies with reporting to alternate
10 reporting locations. For instance, when a substantial amount of snow was forecast, vehicles
11 had to be taken back to the shops to ensure vehicles were able to be accessed when needed.
12 After such weather events had passed and the alternate reporting locations could again be
13 used, the pods would typically go back to the alternate reporting locations.

14 As stated previously in my testimony, the Company's plans to enable social
15 distancing also addressed social distancing while traveling. To accomplish this, the
16 Company rented vehicles to ensure employees could socially distance while commuting
17 between job sites. The Company also postponed retiring a substantial number of vehicles
18 during the pandemic so those vehicles could be utilized to support this objective.

19 To reduce exposure when crews had to go to the line shops for essential business,
20 such as picking up materials, completing paperwork, or fueling, crews were asked to
21 stagger their time to reduce exposure. This was less efficient in that it added travel time
22 and also required some crews to go to the job site first, then break down and return to the

1 shop, for materials, fuel, etc. While this activity was managed, it did add some time,
2 including travel time to the jobs.

3 **Q. Has the Company deferred incremental COVID-19-related costs associated with**
4 **working in pods?**

5 A. Yes. These costs are captured in the Lost Productivity category of expenses included in
6 the Company's request, as explained further in the testimony of witness Mark Myers.

7 **Q. Can you please provide greater detail on the referenced work from home**
8 **accommodation for certain employees?**

9 A. Yes. To provide employees the capability to work from home, FE's Information
10 Technology ("IT") Department was able to provide Virtual Desktop software, which
11 enabled employees to access the Company's network system securely through non-
12 Company devices. This was costly to deploy in a short amount of time. Virtual Desktop
13 software was essential to permit secure access to the Company's system. Most employees
14 required additional computer devices and accessories which included: monitors, laptops,
15 mobile data computing terminals (MDTs), printers, and mobile wi-fi hotspots (MiFis). The
16 Company endeavored to provide all reasonable and necessary accommodations for its
17 employees.

18 While the virtual desktop was a great tool that enabled employees to work
19 productively from home, some positions required employees to have Company devices. In
20 some cases, computers were purchased to ensure employees could work productively from
21 home. In addition to the above items, some employees required additional basic office
22 supplies to work effectively from home.

1 **Q. Has the Company deferred incremental COVID-19-related costs associated with**
2 **implementing work from home accommodations?**

3 A. Yes. These costs are captured in the General Business and Travel category of expenses
4 included in the Company's request, as further explained in the testimony of witness Mark
5 Myers.

6 **Q. Can you please provide greater detail on the referenced social distancing for the**
7 **DCC?**

8 A. Yes. JCP&L operates two DCCs, which are critical and secure facilities that operate 24
9 hours a day, seven days a week. The DCC staff are responsible for monitoring the
10 operating condition of lines and equipment throughout the distribution system, making
11 adjustments, and directing workers to address situations such as emergencies and outages
12 for the Company. These locations are to be staffed 24 hours a day by highly trained
13 personnel. To enable social distancing for these employees, measures were taken to
14 increase distance between workstations. Also, only personnel essential to daily operations
15 or technical support were permitted in the DCC. Individual equipment was dispersed,
16 sanitized, and bagged at the end of every shift. Enhanced cleaning procedures also were
17 put in place. The DCC made staffing adjustments whenever possible to reduce the number
18 of shift changes per day to reduce potential exposure to COVID-19. Certain staff members
19 were relocated to different areas of the building to eliminate crossover between shifts.
20 DCC sequestering plans included IT and Security related costs.

1 **Q. Has the Company deferred incremental COVID-19-related costs associated with**
2 **making these changes to promote social distancing at the DCCs?**

3 A. Yes. These costs are captured in the COVID-19 Preparation and Response and Facility
4 Cleaning and Guard Service categories of expenses included in the Company's request, as
5 explained in the testimony of witness Mark Myers.

6 **Q. Were there any other steps that the Company took to aid in the prevention of the**
7 **spread of COVID-19 among its workforce and customers?**

8 A. Yes. Social distancing supplemented with Personal Protective Equipment ("PPE") was the
9 primary mode of defense to prevent the transmission and spread of the virus. The use of
10 PPE included masks, gloves, goggles, face shields, hazmat materials and a variety of
11 sanitizing products. At the onset of the pandemic, PPE was difficult to obtain. The
12 Company used many of its local contacts to obtain critical items necessary for personnel
13 protection and sanitary needs. While a number of commercially recognized products were
14 unavailable or on backorder, the FirstEnergy Service Company's ("FESC") Supply Chain
15 Department, as well as JCP&L employees, accessed local resources to obtain these critical
16 supplies. Some distilleries used their facilities to manufacture hand sanitizers. JCP&L
17 contacted a number of its customers to obtain PPE items, including a company in the
18 International Trade Zone in Mount Olive, New Jersey, which was able to provide us with
19 masks and surgical gloves. JCP&L's proactive measures allowed the Company to obtain
20 scarce PPE supplies necessary to continue to serve its customers and communities. Below
21 is a list of some of the specific PPE items furnished by the Company for health and safety
22 of its employees:

- 23 ➤ Hand Sanitizer from a variety of sources in a variety of forms
- 24 ➤ Pump Bottles for Hand Sanitizer

- 1 ➤ Spray Nine
- 2 ➤ Bleach
- 3 ➤ Reusable Bleach Spray Bottles
- 4 ➤ Sanitizing Wipes Containers
- 5 ➤ Electronics Sanitizer Containers
- 6 ➤ Surgical & Dust Masks from a variety of sources
- 7 ➤ FR Masks
- 8 ➤ Disposable Gloves
- 9 ➤ Cases of Water
- 10 ➤ Rubbing Alcohol
- 11 ➤ Coveralls
- 12 ➤ Booties
- 13 ➤ Respirators
- 14 ➤ Hazmat bags
- 15 ➤ Goggles
- 16 ➤ Sanitation kits
- 17 ➤ Hoods and liners
- 18 ➤ Thermometer kits and oral thermometers
- 19 ➤ COVID-19 testing kits

20 **Q. Has the Company deferred incremental COVID-19-related costs associated with its**
21 **procurement of PPE?**

22 A. Yes. These costs are captured in the PPE category of expenses included in the Company’s
23 request, and also some items are captured in the Medical expenses category instead, where
24 appropriate. These are explained in the testimony of witness Mark Myers.

25 **Q. Were there other significant JCP&L operations-related expenses accrued by the**
26 **Company during the pandemic:**

27 A. Yes. JCP&L incurred expenses associated with the following items as a result of COVID-
28 19:

- 29 • Communications;
- 30 • Suspension of Service Shutoffs;
- 31 • COVID-19 Pandemic Employee Recognition;
- 32 • Lost Productivity;
- 33 • Medical Services;
- 34 • Recruited Contingent Labor/Direct COVID-19 Overtime Labor;
- 35 • Vehicle Rentals; and

- General Business and Travel.

Q. Can you please provide some additional detail regarding the Communications category of expense?

A. Yes. These expenses involved customer education on obtaining assistance as well as warning customers of utility-related scams that were occurring during the pandemic.

Assisting customers with payment options included:

- Enrolling in budget billing, a program that averages usage over 12 months to offer the same bill amount each month.

- Energy assistance programs or other payment arrangements for eligible customers.

Q. Has the Company deferred incremental COVID-19-related costs associated with the described Communications expenses?

A. Yes. These costs are captured in the Communications category of expense included in the Company's request, as explained in the testimony of witness Mark Myers.

Q. Can you please provide some additional detail regarding the suspension of service disconnections?

A. Yes. Due to the pandemic, JCP&L voluntarily suspended service disconnections due to nonpayment through October 15, 2020. On October 15, 2020, Governor Murphy issued EO 190, prohibiting a gas or electric public or municipal utility or privately- or publicly-owned water system from discontinuing any gas, electric, or water service to a New Jersey resident and from charging a fee for late or untimely payment. On June 14, 2021, Governor

1 Murphy issued EO 246, ending the moratorium effective July 1, 2021, with a grace period
2 until December 31, 2021, for all New Jersey residential customers protected from the
3 discontinuance of utility services. Pursuant to EO 190, during and after the termination of
4 the grace period, no gas or electric public or municipal utility or privately- or publicly-
5 owned water system was permitted to collect any fee or charge imposed for late or
6 otherwise untimely payments or service reconnections that accrued during the Public
7 Health Emergency and moratorium, or that continued to accrue during the grace period.
8 Further, in accordance with the Order, JCP&L offered various payment plans to customers
9 that were in arrears. As mentioned previously, JCP&L communicated a number of options
10 to customers for energy assistance or payment arrangements. The suspension of service
11 disconnections resulted in foregone distribution fee revenues and reconnection fees. The
12 Foregone Distribution Fee Revenues amounts were calculated by FESC's Customer Care
13 Support Department, representing the discontinuance of collecting any charges imposed
14 for late or otherwise untimely payments per the moratorium set forth in the Board Order
15 Authorizing Establishment of a Regulatory Asset for Incremental COVID-19 Related
16 Expenses under BPU Docket No. AO20060471 that was issued on July 2, 2020.

17 **Q. Has the Company deferred incremental COVID-19-related costs associated with the**
18 **described suspension of service disconnections?**

19 A. Yes. These costs are captured in the Foregone Reconnection Fees and Distribution Fee
20 Revenues categories of expenses included in the Company's request, as explained in the
21 testimony of Mark Myers.

1 **Q. Can you please provide additional detail regarding the COVID-19 Pandemic**
2 **Employee Recognition category of costs?**

3 A. Yes. To recognize the hard work and dedication in the face of the unprecedented
4 challenges encountered by our essential workers during the pandemic, in December 2020,
5 a one-time recognition award was provided to field workers who did not have the flexibility
6 to work from home or another location due to their role. This measure was determined to
7 be reasonable and prudent given their role as frontline essential workers who did not have
8 the option to work from home as other employees did during the COVID-19 pandemic.
9 This award was to recognize these employees for their contributions to providing and
10 maintaining electric service to JCP&L's customers during the pandemic.

11 **Q. Has the Company deferred incremental COVID-19-related costs associated with the**
12 **described employee recognition award?**

13 A. Yes. These costs are captured in the COVID-19 Pandemic Employee Recognition category
14 of expenses included in the Company's request, as explained in the testimony of witness
15 Mark Myers.

16 • **Lost Productivity:** The Company took considerable measures during the COVID-19
17 pandemic to ensure the health and safety of our employees, their families and our
18 customers. JCP&L provided employees 247,357 hours of CV19 time. CV19 time was
19 used by our employees to continue to be compensated during times when they
20 experienced COVID-19 symptoms and/or were required to quarantine. Also, this time
21 was available to employees to care for family members that contracted COVID-19 or
22 needed care due to circumstances of COVID-19.

- 1 • **Medical Services:** During periods where infection rates were higher, JCP&L provided
2 health care workers and/or nurses on property to provide testing services, employee
3 screening, and access to the Company doctors for employee and leadership consultation
4 when needed. The medical staff was able to provide direction and support on a full
5 range of medical issues related to the COVID-19 pandemic. This support was
6 invaluable, especially with issues related to exposure and transmission of the virus.
- 7 • **Recruited Contingent Labor/Direct COVID-19 Overtime Labor:** With higher
8 absentee rates due to COVID-19, it was necessary for the Company to authorize
9 overtime and obtain contingent labor resources to continue to effectively operate and
10 maintain its distribution system and provide utility service to its customers.
- 11 • **Vehicle Rentals:** The costs associated with rental vehicles during the COVID-19
12 pandemic to enable social distances during job site commuting was approximately \$3
13 million. The foundation of the Company's operation plan was to maintain social
14 distancing, which is extremely difficult to do while in a vehicle, as it is an enclosed
15 environment. To protect our employees and reduce risks to business continuity from
16 higher absenteeism due to quarantine and/or infection, the Company rented vehicles to
17 enable social distancing during travel to and from job sites. The Company believed
18 this was a necessary precaution. Rental bucket trucks were outfitted with MDTs,
19 hotspots, and GPS tracking devices to provide the DCC with visibility and to distribute
20 work electronically. Every troubleshooter had a vehicle, whereas prior to COVID-19
21 troubleshooters shared vehicles.
- 22 • **General business and travel:** The General Business and Travel Expenses in the
23 COVID-19 filing is comprised of incremental travel expenses associated with

1 addressing workplace flexibility and COVID-related changes in work practices, and
2 non-meter reading general business and travel expenses. Meter reading operations
3 transitioned to reporting from home, to permit a meter reader to start and end each
4 workday from their home location. With the change in reporting location, commuting
5 mileage to and from their respective work locations was now included in a meter
6 reader's daily mileage total eligible to be reimbursed.

7 Additional non-meter reading travel expenses were incurred due to COVID-19,
8 most commonly related to mutual assistance provided between JCP&L's two operating
9 regions in New Jersey. When mutual assistance was provided between Central New
10 Jersey and Northern New Jersey operating regions crews typically work a sixteen-hour
11 day and have an eight-hour rest period. During the pandemic, many employees
12 preferred to avoid staying in hotels. Therefore, many employees elected to return home
13 for their rest period, rather than staying in a hotel. This travel was accommodated
14 within their sixteen-hour work period. This indeed affected productivity during
15 restoration events and added to travel expense, however, this was a measure
16 implemented to reduce potential exposure for our employees.

17 **Q. Why did JCP&L decide it was reasonable and necessary to put the above**
18 **measures/operations practices in place?**

19 A. JCP&L operates a critical part of our state's infrastructure and has responsibility to
20 maintain our daily work schedules. As always, protecting our employees, their families,
21 customers, and the general public was and continues to be the Company's top priority as
22 we continued to perform the essential utility work needed to maintain service to customers
23 during the COVID-19 pandemic. The practices JCP&L implemented were designed to

1 keep employees safe and ensure continuity of operations for our customers and the
2 communities we serve. The measures implemented by the Company were for the purpose
3 of lowering infection rates for our employees and to minimize risk of exposure for other
4 employees when an employee was infected.

5 **Q. For how long did JCP&L continue these practices?**

6 A. JCP&L put its work practices in place starting in March of 2020. The bargaining unit
7 work-from-home ended on October 3, 2022. Measures put in place were curtailed when
8 no longer needed or the Company determined that other preventative measures had been
9 put in place to protect our employees to reduce the spread or severity of COVID-19, such
10 as vaccines that were available in large numbers in 2021, antiviral treatments, and other
11 medications.

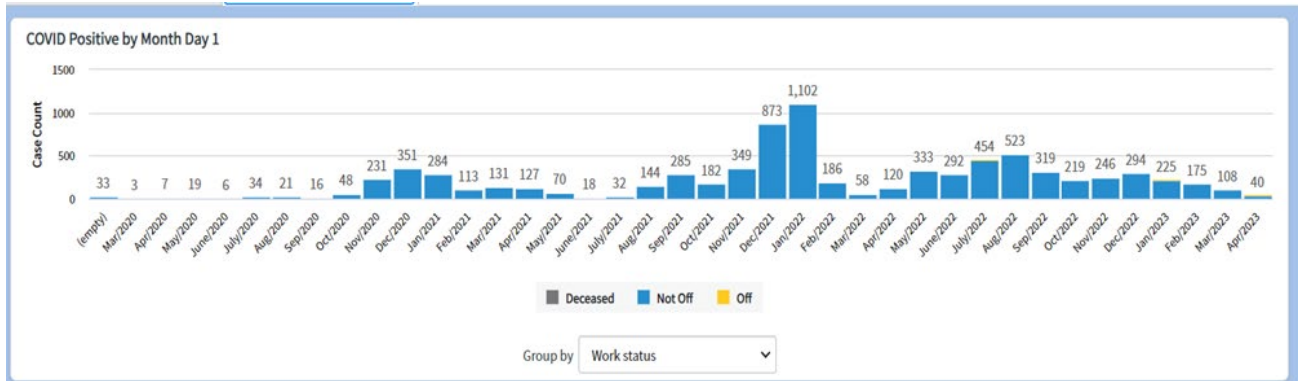
12 **Q. How did the Company evaluate when to end the practices implemented during the
13 pandemic to ensure the Company was able to provide service and ensure employee
14 and customer safety?**

15 A. FirstEnergy formed a team with representatives from JCP&L that periodically evaluated
16 the number of COVID-19 cases throughout FirstEnergy, along with other factors to
17 determine when it was appropriate to return to pre-pandemic work arrangements.

18 Publicly available information was monitored and reviewed, as well as
19 FirstEnergy's and JCP&L's own statistics, to establish the return-to-work date. In late
20 2021, a return-to-work date in March 2022 was planned based on a decline in the number
21 of cases the Company experienced. In early 2022, the date was evaluated and postponed
22 due to a spike in COVID cases within FirstEnergy. Table 1 below shows the number of
23 cases experienced by FirstEnergy employees over this period.

1
2

Table 1

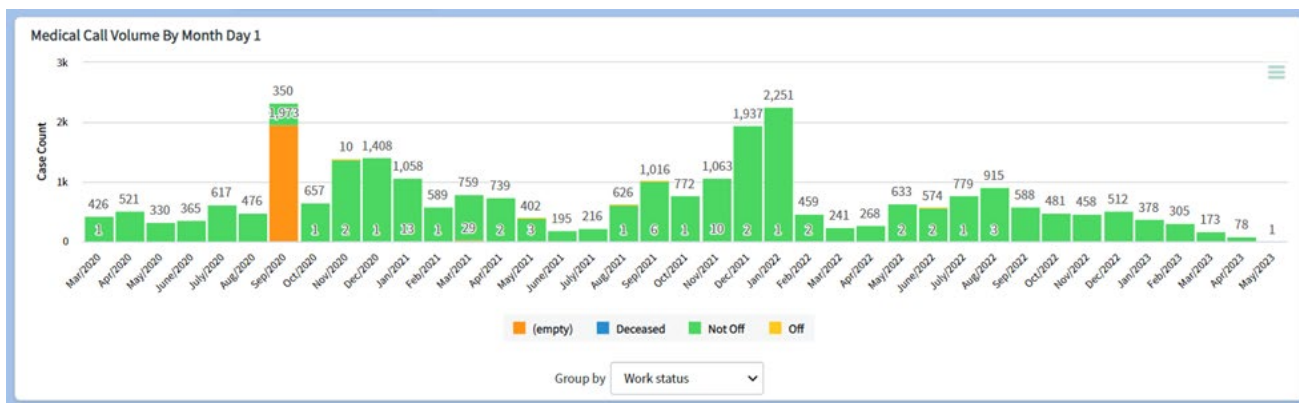


3
4

As shown in the chart, in January of 2022, FirstEnergy had over 1,100 employees who were positive for COVID-19. This represented the highest number of COVID-19 cases for FirstEnergy over this period. Given the number of COVID-19 cases in December of 2021 and January 2022, the Company elected to extend the return-to-work date until late summer of 2022. From May through September of 2022, FirstEnergy experienced a high number of COVID-19 positives, in addition to other illnesses. The chart in Table 2 below illustrates the number of employees during the pandemic who contacted FirstEnergy’s health and safety hotline regarding illness or exposure to COVID-19.

13

Table 2



14

1 A number of the employees who contacted the hotline, while not testing positive for
2 COVID-19, did experience flu-like symptoms. Unfortunately, FirstEnergy had eleven
3 employees who perished from complications due to COVID-19. While the Company had
4 considered plans for an earlier return-to-work for its employees, when weighing many
5 factors, including FirstEnergy's own experience and the potential for continuing mutation
6 of the virus, FirstEnergy set its return-to-work date for October 3, 2022.

7 **Q. Has the Company deferred incremental COVID-19-related costs associated with the**
8 **COVID-19 expenses described above?**

9 A. Yes. JCP&L has deferred incremental COVID-related costs associated with the expenses
10 described in this testimony, in the amounts detailed in the testimony of witness Mark
11 Myers. (See Exhibit JC-02).

12 **IV. Tropical Storm Isaias**

13 **Q. How did the COVID-19 pandemic impact JCP&L's storm response and create**
14 **incremental operating expenses, particularly during Tropical Storm Isaias?**

15 A. Tropical Storm Isaias occurred near the beginning of the COVID-19 pandemic. As a result
16 of the pandemic, JCP&L had to take extraordinary measures to provide for social
17 distancing and to reduce the potential for employee exposure and infection. These
18 extraordinary measures included isolating crews, providing separate rooms for lodging,
19 and providing additional personal protective equipment, such as masks, gloves, and hand
20 sanitizers. During this event, the Company also had medical personnel available to provide
21 assistance and assess and manage potential exposures and infections. On-site testing was
22 performed for all employees and contractors providing mutual assistance during Tropical
23 Storm Isaias. The Company also established three voluntary COVID-19 testing facilities

1 for FirstEnergy employees. For non-physical workers, additional hygiene and social
2 distancing measures were implemented, prepackaged meals were arranged, and frequent
3 surface cleaning was performed. To enable social distancing and limit potential exposure,
4 the Company set up six staging sites, one additional that would not otherwise have been
5 opened but for the COVID-19 pandemic. The additional staging site was utilized to
6 facilitate COVID-19 testing for mutual assistance contractors before returning home. The
7 amounts included in the deferral for incremental storm preparation and response in relation
8 to Tropical Storm Isaias reflects the incremental costs associated with vehicle and
9 equipment charges incurred from mutual assistance contractors for additional vehicles to
10 support social distancing practices, as well as incremental lodging expenses for the same
11 reason.

12 **Q. Did JCP&L defer costs associated with Tropical Storm Isaias?**

13 A. Yes. The Company deferred O&M expenses (i.e., excluding straight-time employee labor)
14 of \$148.514 million associated with service restoration for this event to its storm-related
15 regulatory asset. Additionally, as set forth in the testimony of Mark Myers (Exhibit JC-
16 02), the Company also deferred \$7,540,725 in COVID-19-related expenses associated with
17 Tropical Storm Isaias to its COVID-19 regulatory asset to capture the incremental COVID-
18 19 related costs associated with service restoration efforts.

19 **Q. Was it prudent and reasonable for the Company to incur these incremental costs to**
20 **respond to Tropical Storm Isaias?**

21 A. Yes. As discussed above, the DHS/CISA advised critical infrastructure owners and
22 operators to use their own judgment to appropriately “balance public safety, the health and
23 safety of the workforce, and the continued delivery of essential critical infrastructure

1 functions.” (DHS/CISA Guidance, August 10, 2021, para. 4.) JCP&L did so and
2 determined that the measures it implemented were prudent and necessary to ensure that the
3 Company could respond appropriately to Tropical Storm Isaias while properly protecting
4 our workforce and our customers.

5 **V. Conclusion**

6 **Q. Do you have anything else you wish to add?**

7 A. While the COVID-19 pandemic was an unprecedented time for the United States, New
8 Jersey and the electric utility industry, including JCP&L, the dedication and commitment
9 of JCP&L’s over 1,200 employees enabled it to continue to provide safe, adequate and
10 proper electric service to our customers and communities. While the Company had a
11 number of employees infected with COVID-19, we strongly believe the measures put in
12 place by the Company were prudent and reasonable in light of the health risks presented
13 by COVID-19, and consistent with the various government and regulatory directives, as
14 well as the DHS/CISA guidance mentioned above, to protect the safety and well-being of
15 essential frontline employees and the public, including our customers.

16 **Q. Does this conclude your direct testimony?**

17 A. Yes.

EXHIBIT JC-02

Direct Testimony of Mark A. Myers

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**In the Matter of Jersey Central Power & Light Company’s Verified Petition
Seeking Review and Approval of the Net Deferred Costs Included in Its
COVID-19 Regulatory Asset and Establishment of a COVID-19 Recovery
Charge (“JCP&L Initial CRC Filing”)**

Direct Testimony of Mark Myers

RE: JCP&L COVID-19 Regulatory Asset Deferral

**DIRECT TESTIMONY OF MARK MYERS ON BEHALF OF
JERSEY CENTRAL POWER & LIGHT COMPANY**

1 **I. Introduction and Background**

2 **Q. Please state your name and business address.**

3 A. My name is Mark Myers and my business address is 6896 Miller Rd., Brecksville, Ohio
4 44141.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by FirstEnergy Service Company (“FESC”) as the Manager of Business
7 Services for New Jersey, Maryland, and West Virginia. In this role, I am responsible for
8 supervising a staff of seven financial analyst professionals providing support regarding
9 financial matters to Jersey Central Power & Light Company (“JCP&L” or the “Company”),
10 Potomac Edison Company, and Monongahela Power Company. As it specifically relates
11 to JCP&L, I am responsible for financial reporting and analysis, budgeting and forecasting,
12 and regulatory accounting functions, as well as Sarbanes-Oxley (“SOx”), Generally
13 Accepted Accounting Principles (“GAAP”) and FirstEnergy Corp. (“FirstEnergy”)
14 accounting policy compliance. In this testimony, I generally refer to work performed by
15 my team and me in support of JCP&L as work performed by “JCP&L Business Services.”

16 **Q. Please briefly describe your education and professional background.**

17 A. I graduated from Fordham University with a Bachelor of Science degree with a major in
18 Accounting. I began my career at FirstEnergy in September 1999 as a Business Analyst
19 supporting FirstEnergy’s competitive generation operations. In November 2006, I
20 transferred into the Distribution Business Services organization, where my responsibilities
21 included leading the strategic planning efforts for the FirstEnergy utility companies as well
22 as supervising a group of financial analysts responsible for the consolidated internal

1 financial reporting for the FirstEnergy utility companies. In April 2013, I was promoted
2 to Manager of Ohio Business Services, where I supervised a staff of financial analyst
3 professionals providing support regarding financial matters to the Ohio Edison Company,
4 Pennsylvania Power Company, The Cleveland Electric Illuminating Company, and The
5 Toledo Edison Company. I assumed my current role as Manager of Business Services for
6 New Jersey, Maryland, and West Virginia in September 2018.

7 **Q. Have you previously testified in any BPU proceedings?**

8 A. No.

9 **Q. What is the purpose of your direct testimony?**

10 A. The purpose of my testimony is to summarize the amounts included in JCP&L's COVID-
11 19-related deferred balance.

12 **Q. Please explain your involvement with respect to the Company's COVID-19-related**
13 **deferred balance.**

14 A. In my role, I was responsible for recording many of the COVID-19-related deferred
15 expenses based on information provided to me by relevant JCP&L and FESC business
16 units.

1 **II. COVID-19-Related Incremental Expense**

2 **Q. Please provide an overview of the incremental COVID-19-related expenses recorded**
3 **in the Company’s COVID-19-related deferred balance as of March 15, 2023.**

4 A. As set forth in the Company’s quarterly reports to the New Jersey Board of Public Utilities
5 (“Board” or “BPU”), JCP&L’s COVID-19-related deferred expense generally were
6 included in the following categories:

- 7 • Communications
- 8 • COVID-19 Pandemic Employee Recognition
- 9 • COVID-19 Preparation and Response
- 10 • Facility Cleaning and Guard Service
- 11 • Foregone Distribution Fee Revenues
- 12 • Foregone Reconnection Fees
- 13 • General Business & Travel
- 14 • Incremental A&R Carrying Charge
- 15 • Lost Productivity
- 16 • Medical Services
- 17 • Personal Protection Equipment (“PPE”)
- 18 • Recruited Contingent Labor/Direct COVID-19 Overtime Labor
- 19 • Storm Prep and Response – Tropical Storm Isaias
- 20 • Vehicle Rentals

21 A copy of the Company’s most recent, and final, COVID-19-related deferred balance
22 quarterly report to the Board is attached to my testimony as **Schedule MM-1**. Schedule
23 MM-1 includes endnotes with general descriptions (where necessary) of the types of
24 expenses included in each category set forth above.

25 **Q. Please explain how the Company tracked its incremental COVID-19-related**
26 **expenses.**

27 A. Unique cost collectors were established for both JCP&L operations and FESC departments
28 to capture any relevant expenses that were deemed incremental in nature and otherwise
29 would not have been incurred by JCP&L or FESC but for the onset of the COVID-19

1 pandemic. After establishing these cost collectors, JCP&L Business Services and FESC
2 Business Services provided guidance to JCP&L senior leadership and FESC senior
3 leadership, respectively, regarding the types of expenses that should be charged to these
4 cost collectors. More specifically, the guidance provided was that expenses should only
5 be charged to a COVID-19-related cost collector where the expenses were incremental,
6 *i.e.*, they would not have been incurred “but for” JCP&L’s or FESC’s pandemic operations.
7 JCP&L Business Services and FESC Business Services continued to serve as a resource to
8 JCP&L and FESC during the course of the deferral period to provide input as to whether
9 certain expenses qualified to be recorded within a cost collector. Each month, JCP&L
10 Business Services and FESC Business Services extracted the incremental expenses that
11 were charged to the unique COVID-19-related cost collectors that were established for the
12 purpose of tracking and accumulating these expenses and included them as part of the
13 monthly COVID-19 deferral entry that was prepared by Business Services.

14 **Q. Were these cost collectors the only method used by JCP&L to track COVID-19-**
15 **related expenses?**

16 A. No. The referenced cost collectors served as the basis for the “Incremental COVID-19
17 Costs” included in the Company’s COVID-19-related deferred balance quarterly filings,
18 with the exception of the following categories: COVID-19 Pandemic Employee
19 Recognition; Foregone Distribution Fee Revenues; Foregone Reconnection Fees;
20 Incremental A/R Carrying Charge; Lost Productivity; and Storm Prep and Response –
21 Tropical Storm Isaias.

1 **Q. You mentioned seven categories of expense included in the COVID-19-related**
2 **deferred balance that were not tracked utilizing the cost collector methodology.**
3 **Please explain how the deferred expenses were determined for the first of those**
4 **categories – COVID-19 Pandemic Employee Recognition.**

5 A. The COVID-19 Pandemic Employee Recognition category represents the total amount of
6 a one-time discretionary payment to JCP&L employees in December 2020, who continued
7 working in the field or other JCP&L locations because the nature of their job
8 responsibilities did not allow flexibility to work from home or another location.

9 **Q. What was the total amount of the COVID-19 Pandemic Employee Recognition**
10 **deferral?**

11 A. \$3,007,212.

12 **Q. Please explain how the deferral amount was determined for the Foregone**
13 **Distribution Fee Revenues category of deferred expense.**

14 A. The Foregone Distribution Fee Revenues amounts were calculated by FESC's Customer
15 Care Support Department, representing late payment fees not charged to commercial and
16 industrial customers, in accordance with various governmental mandates. Customer
17 Operations provided the totals associated with Foregone Distribution Fee Revenues to
18 JCP&L Business Services for inclusion in the monthly COVID-19-related deferral entry.

19 **Q. What was the total amount of the Foregone Distribution Fee Revenues deferral?**

20 A. \$183,317.

1 **Q. Please explain how the deferral amount was determined for the Foregone**
2 **Reconnection Fees category of deferred expense.**

3 A. The Foregone Reconnection Fees amounts were calculated by FESC's Customer Care
4 Support Department, representing fees associated with disconnection/reconnection
5 services provided by JCP&L that were not charged to customers during the COVID-19
6 pandemic. Customer Operations provided the totals associated with Foregone
7 Reconnection Fees to JCP&L Business Services for inclusion in the monthly COVID-19-
8 related deferral entry.

9 **Q. What was the total amount of the Foregone Reconnection Fees deferral?**

10 A. \$522,250.

11 **Q. Please explain how the deferral amount was determined for the Incremental A/R**
12 **Carrying Charge category of deferred expense.**

13 A. As detailed in the Direct Testimony of Jennifer Spricigo (Exhibit JC-03), this category of
14 expense represented the carrying charges associated with incremental non-current accounts
15 receivable balances resulting from the COVID-19 pandemic. JCP&L's Rates and
16 Regulatory Affairs Department provided the totals associated with Incremental A/R
17 Carrying Charge to JCP&L Business Services for inclusion in the monthly COVID-19-
18 related deferral entry.

19 **Q. What was the total amount of the Incremental A/R Carrying Charge deferral?**

20 A. \$1,001,495.

1 **Q. Please explain how the deferral amount was determined for the Lost Productivity**
2 **category of deferred expense.**

3 A. The Lost Productivity amounts were calculated by extracting the total amount of hours by
4 employee type that JCP&L non-management employees were absent due to COVID-19
5 illness. An average labor rate by employee type was multiplied by the absence hours, and
6 that product was adjusted to exclude an estimated capital component based on historical
7 capitalization fraction by employee type. The final step in the calculation was to again
8 adjust the total expense for planned work that was not able to be completed due to COVID-
9 related absences and was deferred to a future period.

10 **Q. What was the total amount of the Lost Productivity deferral?**

11 A. \$5,416,684.

12 **Q. Please explain how the deferral amount was determined for the Storm Prep and**
13 **Response – Tropical Storm Isaias category of deferred expense.**

14 A. The amount included in the deferral for incremental storm preparation and response in
15 relation to Tropical Storm Isaias reflects the incremental expenses associated with
16 incremental vehicle and equipment charges incurred from mutual assistance contractors
17 due to JCP&L's request that the mutual assistance contractors send additional vehicles to
18 JCP&L's service territory to comport with its social distancing practices in effect at that
19 time, as well incremental lodging expenses for the same reason. Additionally, JCP&L set
20 up an additional staging site to facilitate COVID-19 testing for mutual assistance
21 contractors before returning home. JCP&L initially captured these expenses as part of its
22 major storm deferral cost collector for Tropical Storm Isaias; however, because these
23 expenses were incremental to its storm restoration expenses as a result of the COVID-19

1 pandemic, it was determined that these expenses were more appropriately recovered
2 through the COVID-19-related deferral and were reclassified in September 2020. The
3 Direct Testimony of Dennis Pavagadhi (Exhibit JC-01) further addresses the Company's
4 response to Tropical Storm Isaias.

5 **Q. What was the total amount of the Storm Prep and Response – Tropical Storm Isaias**
6 **deferral including in the COVID-19-related asset?**

7 A. \$7,540,725.

8 **III. COVID-19-related Incremental Savings**

9 **Q. Please provide an overview of the incremental COVID-19-related savings and offsets**
10 **to expenses recorded in the Company's COVID-19-related regulatory deferral**
11 **account as of March 15, 2023.**

12 A. As set forth in Schedule MM-1 (the Company's quarterly report to the Board), JCP&L's
13 COVID-19-related deferred savings and offsets to expenses generally were included in the
14 following categories:

- 15 • Health Benefits
- 16 • Office Supplies
- 17 • Reduction in Travel Expenses
- 18 • Travel

19 **Q. Can you please explain how the deferral offset amount was determined for the Health**
20 **Benefits category?**

21 A. While JCP&L included a "Health Benefits" category in its quarterly reporting, the
22 Company never provided an offset amount for this category. As noted in the Company's
23 quarterly COVID-19-related deferral reports, there were temporary reductions in group

1 health claims due to employees deferring elective surgeries and doctor’s visits. However,
2 as the deferral period progressed, the Company experienced offsetting increases in these
3 expenses.

4 **Q. What was the total amount of the Health Benefits category of offsets?**

5 A. In light of the above, JCP&L has not included any savings related to the “Health Benefits”
6 category as an offset to its COVID-related expense.

7 **Q. Please explain how the deferral offset amount was determined for the Office Supplies**
8 **category.**

9 A. FESC expenses for office supplies incurred during the pandemic were compared to the
10 amounts incurred during the test year from JCP&L’s last approved rate case (July 2019 –
11 June 2020) and a multi-factor allocation was applied to assign JCP&L’s portion. A
12 capitalization factor was then applied to reflect only the operations and maintenance
13 (“O&M”) component of these expenses. The resulting lower level of FESC office supplies
14 expense was captured as an incremental savings and included as an offset to the Company’s
15 COVID-19-related deferral.

16 **Q. What was the total amount of the Office Supplies category of offsets?**

17 A. The total amount of the offset was \$9,766.

18 **Q. Please explain how the deferral offset amount was determined for the Reduction in**
19 **Travel Expenses category.**

20 A. FESC travel expenses incurred during the pandemic were compared to the expenses
21 incurred during the test year from JCP&L’s last approved rate case (July 2019 – June 2020)
22 and a multi-factor allocation was applied to assign JCP&L’s portion. As with the FESC

1 office supplies expense, a capitalization factor was applied to reflect only the O&M
2 component of these expenses. The resulting lower level of FESC travel expenses was
3 captured as an incremental savings and included as an offset to the Company's COVID-
4 19-related deferral.

5 **Q. What was the total amount of the Reduction in Travel Expenses category of offsets?**

6 A. The total amount of the offset was \$20,773.

7 **Q. Please explain how the deferral offset amount was determined for the Travel**
8 **category.**

9 A. This category represents the calculated JCP&L non-meter reading O&M travel expense
10 savings during the pandemic as compared to a baseline year prior to the pandemic. The
11 lower expenses as compared to the baseline year were captured as incremental savings and
12 included as an offset to the Company's COVID-19-related deferral.

13 **Q. Why was it necessary to distinguish between meter reading and non-meter reading-**
14 **related travel expenses?**

15 A. Due to the COVID pandemic, meter readers were reporting directly from home to their
16 scheduled customers to avoid unnecessary interactions between employees. With the
17 change in reporting location, commuting mileage to and from their respective work
18 locations was now included in a meter reader's daily mileage total eligible for
19 reimbursement. Considering these incremental mileage reimbursement expenses r meter
20 reading travel expenses were excluded when calculating offsetting travel savings for
21 JCP&L.

1 **Q. What was the total amount of the Travel category of offsets?**

2 A. \$794,691.

3 **IV. Conclusion**

4 **Q. What is the total final amount included in the Company's COVID-19-related**
5 **deferral?**

6 A. The final total amount included in the Company's COVID-19-related deferred balance is
7 \$30,226,178, as of September 30, 2023, excluding interest, which consists of \$31,051,408
8 of incremental expense and \$825,230 of incremental offsets.

9 **Q. Does this conclude your direct testimony?**

10 A. Yes.



Joshua R. Eckert, Esq.
(330) 690-8329
(330) 315-9165 (Fax)

April 28, 2023

VIA ELECTRONIC MAIL

Sherri L. Golden, Secretary
Board of Public Utilities
44 South Clinton Ave., 9th Floor
PO Box 350
Trenton, NJ 08625-0350

Re: In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic, Docket No. A020060471

Dear Secretary Golden,

On July 2, 2020, the New Jersey Board of Public Utilities (“BPU” or “Board”) issued an Order, requiring that each utility that establishes a COVID-19 regulatory asset account file quarterly reports with the Board of the COVID-19-related costs incurred and offsets together with a verification by an authorized representative.

The information in the attached report reflects those COVID-19-related costs that have been identified and quantified as of March 15, 2023 the date to which the Regulatory Asset Period was extended per the Board’s Order issued in this proceeding on December 21, 2022.

In accordance with the July 2, 2020 Order, Jersey Central Power & Light Company (“JCP&L” or the “Company”) is filing its twelfth quarterly report of the COVID-19-related costs incurred and offsets for the period ending March 15, 2023, along with a verification.

In the above-referenced December 21, 2022 Order, the Board also required that utilities include the number of Deferred Payment Arrangements created each month, Fresh Start recipients, funds received through existing state and federal programs, new hires related to addressing COVID-19 arrearages, number of field collection visits and the number of disconnections and reconnections by zip code or city, in their quarterly reports. Please note that such information has been provided on a monthly basis, in accordance with Staff direction, as part of the Company’s monthly arrearage data filings.

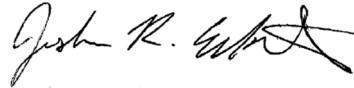
The December 21, 2022 Order further required that utilities include information related to amounts of arrearages recovered through any mechanism,¹ amounts of COVID-related short-term

¹ JCP&L does not have a rate recovery mechanism for the recovery of arrearages; however, the Company does recover its uncollectible account expense through the Rider UNC component of its Societal benefits Charge. During the first quarter of calendar year 2023, the Company received approximately \$1.6M of revenues through Rider UNC to offset its uncollectible expense of \$2.9M. The deferred balance in Rider UNC as of March 31, 2023, was \$13.2M, including interest.

borrowing and carrying costs on that debt², amounts saved due to COVID-related changes in their business activities, and revenues from each class of customer during the regulatory asset period. Like the information discussed in the previous paragraph, information regarding the revenues from each class of customer is included in the Company's monthly reports in accordance with Staff direction. The remaining additional requirements are addressed herein and within the instant report.

Please contact me if you have any further questions.

Very truly yours,



Joshua R. Eckert

² JCP&L does not undertake or assign specific financing to fund incremental COVID-related expenses or to replace cash shortfalls due to incremental COVID-related arrearages. JCP&L has not requested carrying costs on any incremental COVID-related expenses except for its incremental COVID-related accounts receivables, which for purposes of calculating interest, JCP&L uses as a proxy for short-term interest rates the 2-year constant maturing Treasury rate plus 60 bps. Such interest rate is consistent with the interest calculations for certain of JCP&L's annually reconcilable riders.

AFFIDAVIT
OF
VERIFICATION

Mark A. Mader, being duly sworn upon his oath, deposes and says:

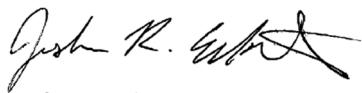
1. I am Director of Rates and Regulatory Affairs – New Jersey for Jersey Central Power & Light Company (“JCP&L”), and I am duly authorized to make this Affidavit of Verification on its behalf.

2. The foregoing JCP&L Quarterly Report was prepared by me or under my supervision, and I hereby verify that the information contained therein is true and correct to the best of my knowledge, information, and belief.



Mark A. Mader

Sworn to and subscribed before me
this 28 day of April 2023.



Joshua R. Eckert
An Attorney-at-Law licensed to practice in the State of New Jersey
Attorney ID: 250992018

JCP&L COVID-19 Deferral as of March 15, 2023

Line	Incremental COVID-19 Costs	Cumulative as of March 15, 2023	
1	Communications	\$590,504	A
2	COVID-19 Pandemic Employee Recognition	\$3,007,212	B
3	COVID-19 Preparation and Response	\$4,431,851	C
4	Facility Cleaning & Guard Service	\$338,025	
5	Forgone Distribution Fee Revenues	\$183,317	
6	Forgone Reconnection Fees	\$522,250	
7	General Business & Travel	\$1,121,219	
8	Incremental A/R Carrying Charge	\$1,001,495	D
9	Lost Productivity	\$5,416,684	E
10	Medical Services	\$738,539	F
11	Personal Protection Equipment (PPE)	\$1,221,885	G
12	Recruited Contingent Labor/Direct COVID-19 OT Labor	\$1,685,080	H
13	Storm Prep and Response - Tropical Storm Isaias	\$7,540,725	I
14	Vehicle Rentals	\$3,252,621	
15	Total Incremental Costs	<u>\$31,051,408</u>	
	Incremental COVID-19 Savings & Cost Offsets		
16	Health Benefits		J
17	Office Supplies	(\$9,766)	K
18	Reduction in Travel Expenses	(\$20,773)	K
19	Travel	(\$794,691)	L
20	Total Savings/Cost Offsets	<u>(\$825,230)</u>	
21	Total Net COVID-19 Costs/Savings	<u>\$30,226,178</u>	M

INCREMENTAL COVID-19 COSTS

A Communications

Customer education on obtaining bill assistance.

B COVID-19 Pandemic Employee Recognition

One-time discretionary payment for employees, who were required to continue working in the field or FE location, whose jobs did not allow flexibility to work from home or another location.

C COVID-19 Preparation and Response

Costs associated with establishing remote reporting sites in order to ensure proper social distancing. These costs include: office space and storage trailers, port-a-johns, washing stations, water, electrician services, cleaning and sanitizing.

All costs listed in this category were a direct result of COVID-19 and would not have been incurred if not for the pandemic.

D Incremental A/R Carrying Charge

Carrying cost on incremental non-current A/R.

E Lost Productivity

Incremental Overtime and Contractor Costs to complete work due to employees absences due to COVID-19 illness. As noted in S-JCP&L-16 discovery response, the Company committed to providing a quantification of COVID-related lost productivity, to date, in the report.

F Medical Services

Includes FMLA Deferrals - Family Medical Leave Absence related to COVID.

G Personal Protection Equipment (PPE)

Incremental costs of items required for the protection of customers and employees such as gloves, goggles, hazmat bags, face shields/masks, protectors, hoods and liners and sanitation kits.

JCP&L uses Personal Protective Equipment during many activities, additional PPE required to perform activities during the pandemic have been purchased.

H Direct COVID-19 OT Labor

The amount included above is for incremental COVID-19 overtime to establish remote work sites.

I Storm Prep and Response - Tropical Storm Isaias

Expenses related to: additional lodging for mutual assistance support to support social distancing, incremental vehicles for mutual assistance support travelling to NJ to support social distancing and increased staging site costs to support COVID testing of mutual assistance contractors before returning home.

Incremental COVID-19 Savings & Cost Offsets

J Health Benefits

Temporary reduction in group health claims due to deferral of elective surgeries and doctor/dentist visits. However, as reopening has occurred the company has observed increases to medical expenses as employees resume routine healthcare and treatments. The company is monitoring medical service expenses to confirm changes are temporary.

K As noted in S-JCP&L-20 discovery response, the Company committed to providing a quantification of COVID-related savings in the 2022Q2 report. The amounts quantified represent the reduction in the allocation of corporate expenses for travel and office supplies to JCP&L.

L Travel

This relates to JCP&L travel related savings excluding increases in Meter Reading travel expenses which are included in Line 7.

M In 1st Quarter 2023, the only costs deferred were associated with interest on COVID related arrearages (\$97,542) and forgone reconnection fees (\$77,166).

EXHIBIT JC-03

Direct Testimony of Jennifer Spricigo

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**In the Matter of Jersey Central Power & Light Company's Verified Petition
Seeking Review and Approval of the Net Deferred Costs Included in Its
COVID-19 Regulatory Asset and Establishment of a COVID-19 Recovery
Charge ("JCP&L Initial CRC Filing")**

Direct Testimony of Jennifer Spricigo

RE: JCP&L COVID-19 Regulatory Asset

DIRECT TESTIMONY OF JENNIFER SPRICIGO ON BEHALF OF
JERSEY CENTRAL POWER & LIGHT COMPANY

1 **I. INTRODUCTION AND BACKGROUND**

2 **Q. Please state your name and business address.**

3 A. My name is Jennifer Spricigo and my business address is 300 Madison Avenue,
4 Morristown, New Jersey 07960.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by FirstEnergy Service Company (“FESC”) as a Business Analyst in the
7 Rates & Regulatory Affairs Department for Jersey Central Power & Light Company
8 (“JCP&L” or “Company”).

9 **Q. Have you previously testified in BPU proceedings?**

10 A. Yes. I submitted direct testimony on behalf of JCP&L in the Company’s 2020 base rate
11 case in BPU Docket No. ER20020146.

12 **Q. Please describe your professional experience and educational background.**

13 A. I am employed by FESC as a Rates Analyst in the Rates & Regulatory Affairs Department
14 for JCP&L. I report to Carol Pittavino, Manager of Rates & Regulatory Affairs for New
15 Jersey. My principal responsibilities are to provide financial and analytical support for
16 JCP&L.

1 **Q. Please briefly describe your educational and professional background.**

2 A. I graduated from Seton Hall University in May 1992 with a Bachelor of Science degree
3 with a major in Accounting. I earned my Master of Business Administration from
4 California Coast University in September 2008.

5 In August 1992, I was employed by JCP&L as an Accountant in the General
6 Accounting Department. I worked in the Accounting Department for many years
7 performing General Accounting responsibilities including Federal Energy Regulatory
8 Commission (“FERC”) Form 1 preparation, forecasting and monthly closings. I also
9 worked in the Tax Department for FirstEnergy Corp. (“FirstEnergy”) as a Senior Tax
10 Analyst. My responsibilities included federal and state tax return preparation,
11 implementation of tax software and FERC Form 1 preparation. In June 2018, I transferred
12 into the JCP&L Rates Department. I am responsible for providing financial and analytical
13 support for rates activities.

14 **Q. Please describe the purpose of your testimony.**

15 A. The purpose of my testimony is to describe and discuss the Company’s proposed recovery
16 for its deferred COVID-19-related costs.

17 **Q. Please describe and summarize the content of your testimony.**

18 A. The Company is requesting recovery of its net incremental COVID-19 related expenses,
19 as amounts were deferred beginning March 19, 2020 through March 15, 2023 (“Deferral
20 Period”), which total \$30,226,178. *See* Schedule JS-3 for details of expenses and

1 savings/cost offsets deferred by the Company through March 15, 2023. The Company is
2 proposing a new recovery mechanism, entitled Rider COVID-19 Recovery Charge
3 (“CRC”), based on a 4-year amortization and including monthly carrying charges. The
4 interest rate applied to Rider CRC is proposed to be an interest rate equal to the rate on the
5 5-year Constant Maturity Treasuries as published in the Federal Reserve Statistical Release
6 on or closest to January 1 of each year, plus sixty basis points. The interest calculation will
7 be based on the net of tax beginning and ending average monthly balance and will be
8 compounded annually on January 1 of each year. Interest has been calculated from March
9 16, 2023 (i.e., the date following the end of the Deferral Period), to September 30, 2023,
10 in the amount of \$535,691. The Company requests to begin recovery on October 1, 2023,
11 for the total amount deferred plus the interest calculated, resulting in a total balance to be
12 recovered of \$30,761,869 through September 30, 2023. *See* Schedule JS-1. Also, see
13 Schedule JS-2 for details of cost amortization and interest calculation.

14 **Q. Why did the Company select a four-year amortization period?**

15 A. The company selected a four-year amortization period as this is consistent with other
16 recovery amortizations previously approved by the Board. As an example, in the
17 Company’s 2012 Base Rate Case Board Order at BPU Docket No. ER12111052, page 20,
18 the Administrative Law Judge found that an annual rate case expense with recovery over a
19 four-year period was reasonable and was ultimately approved by the New Jersey Board of
20 Public Utilities (“Board”) on March 26, 2015.

1 **Q. Why is the Company using a 5-year Treasury rate on which to base the calculation**
2 **interest expense?**

3 A. The BPU has approved interest costs for rider recovery, where capital recovery is not
4 involved, based on Treasury rates that approximate the amortization period over which
5 recovery is to occur. Similarly in this case, the Company is proposing a 4-year amortization
6 period to recover the deferred balance. A 4-year treasury rate is not available; therefore,
7 the Company is proposing to base the interest expense calculation on a 5-year Treasury
8 rate.

9 **II. Deferral of COVID-19 Related Expenses**

10 **Q. Under what authority did the Company defer costs related to the COVID-19**
11 **Pandemic?**

12 A. In its July 2020 Order,¹ the Board authorized "each of the State's regulated utilities to
13 create a COVID-19-related regulatory asset by deferring on their books and records the
14 prudently incurred incremental costs related to COVID-19 beginning on March 9, 2020
15 through September 30, 2021, or 60 days after the Governor issues an order, declaration,
16 proclamation, or similar announcement that the Public Health Emergency is no longer in

¹ *In re the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic*, BPU Docket No. AO20060471 ("COVID Regulatory Asset Proceeding"), Order Authorizing Establishment of a Regulatory Asset for Incremental COVID-19 Related Expenses dated July 2, 2020 ("July 2020 Order").

1 effect”², or in its absence, “60 days from the time the Public Health Emergency
2 automatically terminates pursuant to N.J.S.A. 26:13-3(b) (“Regulatory Asset Period”).”³

3 Subsequently, in a September 2021 Order, the Board extended the “Regulatory
4 Asset Period” from September 30, 2021 to December 31, 2022, and the filing of petitions
5 for recovery of those assets to within 60 days from the close of the extended Regulatory
6 Asset Period.⁴

7 In a December 2022 Order, the Board extended the “Regulatory Asset Period” from
8 December 31, 2022, to March 15, 2023, and the filing for COVID-19 cost recovery filings
9 to 60 days from the close of the extended Regulatory Asset Period.⁵

10 On May 10, 2023, the Board issued an Order Extending the COVID-19 Regulatory
11 Asset Recovery Filing Period under BPU Docket No. AO20060471 (the “May 2023
12 Order”) extending the deadline for utilities to submit their petitions for cost recovery by no
13 later than July 17, 2023.⁶

² Id at 3 and 4.

³ Id at 4.

⁴ *In re the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic*, BPU Docket No. AO20060471 (“COVID Regulatory Asset Proceeding”), Order Authorizing Establishment of a Regulatory Asset for Incremental COVID-19 Related Expenses dated July 2, 2020 (“July 2020 Order”).

⁵ *In re the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic*, BPU Docket No. AO20060471, Order Extending the Regulatory Asset Period dated December 21, 2022 (“December 2022 Order”).

⁶ COVID Regulatory Asset Proceeding, Order Extending the Regulatory Asset Recovery Filing Period at 3 (May 10, 2023) (“May 2023 Order”).

1 **Q. What are your role and responsibilities with respect to identification and calculation**
2 **of the amounts deferred?**

3 A. I am responsible for reading and interpreting the relevant Board orders relating to the
4 regulatory asset and engaging with the impacted business units, in this case, Operations
5 and Business Services, to provide an understanding of the Board's order, such that the
6 business may make judgements regarding COVID-related costs that are eligible for deferral
7 and to review for reasonableness the basis on which estimates may be made of cost savings
8 and any associated operating cost reductions. On a quarterly basis, as I am presented with
9 estimated COVID-19-related incremental costs and operating cost reductions, as
10 necessary, I asked questions to understand the estimates and the rationale for any new costs
11 or categories of costs that have been estimated and are proposed to be deferred. Finally,
12 on a quarterly basis, I prepared and requested the accounts receivable ("AR") carrying
13 charge be deferred to the COVID-19 regulatory asset.

14 **Q. Can you generally describe the COVID-related expenses that the Company has**
15 **deferred and for which it is requesting recovery?**

16 A. Generally, I understand these expenses to include incremental costs incurred by the
17 Company, net of identified reductions in operating expense, in the conduct of its operations
18 as a result of state and federal guidelines and/or requirements as well as management's
19 exercise of judgement related to social distancing for employee and public safety. I defer
20 to witness Dennis Pavagadhi (Exhibit JC-01) as to the details of the Company's operational
21 response to the COVID-19 pandemic that gave rise to these incremental expenses and

1 witness Mark Myers (Exhibit JC-02) as to the calculation of these incremental expenses
2 and identified reductions in operating expense.

3 **Q. What do you mean by “incremental expenses”?**

4 A. Incremental expenses were those expenses incurred by the Company related to its
5 operations during the COVID-19 pandemic that were in addition to expenses the Company
6 normally incurs during its operations.

7 **Q. What do you mean by “net of identified reductions in operating expense”?**

8 A. The amounts the Company has deferred, as required by the Board’s July 2020 Order, are
9 net of reductions in operating expenses due to the COVID-19 pandemic. Examples of these
10 operating expense reductions include the reduction in the allocation of corporate expenses
11 for travel and office supplies and JCP&L travel-related savings.

12 **Q. What is the total amount of identified reductions in operating expense that has been
13 netted in the deferred balance?**

14 A. The total identified reductions in operating expense during the deferral period were
15 \$825,230 relating to reductions in FESC allocations of travel expenses and office supplies,
16 as well as JCP&L travel related savings. *See* Schedule JS-3.

17 **Q. Has the Company applied carrying charges to the amounts deferred?**

18 A. The Company has not applied a carrying charge to the monthly deferred balance in total as
19 of March 15, 2023. However, the Company has included in each quarterly filing carry
20 charges associated with the Company’s incremental arrearages, resulting from the

1 suspension of collections activity during the pandemic. Beginning March 16, 2023, the
2 Company began accruing a carrying charge on the balance in total with the completion of
3 the accrual period, which ended March 15, 2023 by Board Order.

4 **Q. How were the monthly incremental arrearages carrying charges calculated?**

5 A. The monthly carrying charges on the incremental arrearages were calculated using the New
6 Jersey total active at-risk arrearage balance from the prior month compared to the pre-
7 COVID-19 March 2020 at risk arrearage balance. The average AR balance was then
8 multiplied by the daily interest rate calculated and the days outstanding to arrive at the AR
9 carrying charge for the month.

10 **Q. What is the carrying charge amount and the basis for the carrying charge rate that
11 was applied to the monthly incremental arrearages?**

12 A. The carrying charge amount on the incremental average at risk arrearage balance that was
13 deferred to the COVID-19 regulatory asset was \$1,001,495. The monthly carrying charge
14 rate used was based on a two-year constant maturity Treasuries as published in the Federal
15 Reserve Statistical Release on the first day of the month (or the closest day thereafter on
16 which rates are published), plus sixty basis points, which rate shall not exceed the
17 Company's overall rate of return as approved by the Board. The 2-year Treasury Rate plus
18 sixty basis points was divided by 360 days in order to derive a daily carrying charge rate
19 that was then multiplied by the number of days in the month to derive the monthly carrying

1 charge. The Company chose a 2-year Treasury Rate because it did not anticipate the
2 COVID-19 pandemic deferral regulatory asset deferral period to be extended.

3 **Q. What is the total COVID-related deferred expense that the Company is seeking to**
4 **recover?**

5 A. The COVID-related, net incremental deferred expense as of March 15, 2023, is
6 \$30,226,178. The company began to accrue interest effective March 16, 2023, using the
7 5-year constant maturity treasury rate as published in the Federal Reserve Statistical Rate
8 plus sixty basis points. With the accrued interest, the projected balance is \$30,761,869
9 through September 30, 2023, as was discussed previously in my testimony. *See* Schedules
10 JS-2 and JS-3.

11
12 **III. Rider CRC**

13 **Q. Does the Company propose a modification to its tariff as part of this filing?**

14 A. Yes. The Company proposes to recover its costs deferred for COVID-19 related expenses
15 through rates set forth in a separate clause of its tariff. Specifically, the Company is
16 proposing to utilize a new tariff rider, Rider COVID-19 Recovery Charge (Rider CRC),
17 which is attached hereto as Schedule JS-4.

18 **Q. Please describe the operation of Rider CRC.**

19 A. Rider CRC will be an annually reconcilable surcharge, which will accrue simple interest
20 on a monthly basis and be compounded annually. Monthly interest will be calculated based
21 on one-twelfth of the 5-year Constant Maturity Treasury Rates, as published in the Federal

1 Reserve Statistical Release on the first day of each month (or the closest day thereafter on
2 which rates are published), plus sixty basis points, but shall not exceed the Company's
3 overall rate of return as approved by the Board. Such interest rate shall be reset annually.
4 The interest calculation shall be based on the net of tax beginning and ending average
5 monthly balance and shall be compounded annually on January 1st of each year. On an
6 annual basis, JCP&L will submit a filing to the Board seeking review and reconciliation of
7 the deferred balance in its COVID-19 related regulatory asset and adjustment of the CRC
8 charge, as appropriate. Rider CRC will be extinguished based upon collection of the
9 deferred balance. Based on the Company's calculations, at no less than 60 days from the
10 estimated date of full recovery of the deferred balance, including interest, the Company
11 will provide written notice to the Board of its intent to extinguish Rider CRC as of a date
12 specified. Unless the Board acts to modify this date, JCP&L will extinguish Rider CRC
13 and any asset or liability that results upon final reconciliation will be added or subtracted
14 from the deferred balance of Rider Non-Utility Generation Charge (Rider NGC).

15 **IV. CONCLUSION**

16 **Q. Does this conclude your direct testimony?**

17 **A. Yes.**

JERSEY CENTRAL POWER & LIGHT COMPANY
Derivation of COVID-19 Recovery Charge (CRC)
For Tariff Rider Effective October 1, 2023

Line No.	Derivation of Tariff Rider CRC:	Total	Data Sources
1	Total Recoverable CRC Expenses	\$ 30,761,869	Schedule JS-2, Line 1
2	Estimated Interest	\$ 2,080,898	Schedule JS-2, Line 9
3	Total Estimated CRC Recovery	\$ 32,842,767	
4	CRC Recovery Period (years)	4	
5	Net Annual Recoverable CRC Expenses	\$ 8,210,692	Line 3 divided by Line 4
6	Retail Sales Forecasted (MWh)	19,837,209	12 mos. Ended 9/30/24
7	Calculated CRC Factor (\$ per kWh) before SUT	\$ 0.000414	Line 5 divided by Line 6
8	CRC Factor Currently in Effect (\$ per kWh)	\$ -	
9	Calculated increase/(decrease) in CRC Factor (\$ per kWh) before SUT	\$ 0.000414	Line 7 - Line 8
10	Proposed Rider CRC Revenue Increase Effective 10/1/23	\$ 8,212,605	Line 6 x Line 9

Jersey Central Power & Light
COVID-19 Cost Amortization & Interest Calculation
Approval per BPU Docket No. AO20060471

Line No.	Balances used for Interest Calculation	March 16-31	April	May	June	July	August	September
		2023	2023	2023	2023	2023	2023	2023
1	Beginning Bal	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178
2	Amortization	-	-	-	-	-	-	-
3	Ending Bal	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178
4	Avg Bal	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178	\$ 30,226,178
5	Less: Dfd Taxes	8,496,579	8,496,579	8,496,579	8,496,579	8,496,579	8,496,579	8,496,579
6	Ending Bal After Tax	\$ 21,729,599	\$ 21,729,599	\$ 21,729,599	\$ 21,729,599	\$ 21,729,599	\$ 21,729,599	\$ 21,729,599
7	Return Rate	4.54%	4.54%	4.54%	4.54%	4.54%	4.54%	4.54%
8	Interest Return	\$ 42,431	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210
9	Cumulative Interest	\$ 42,431	\$ 124,641	\$ 206,851	\$ 289,061	\$ 371,271	\$ 453,481	\$ 535,691
10	Regulatory Asset							
11	Beg Deferred Bal	\$ 30,226,178	\$ 30,268,609	\$ 30,350,819	\$ 30,433,029	\$ 30,515,239	\$ 30,597,449	\$ 30,679,659
12	Interest Accrual	\$ 42,431	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210	\$ 82,210
13	Less Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	End Deferred Bal	\$ 30,268,609	\$ 30,350,819	\$ 30,433,029	\$ 30,515,239	\$ 30,597,449	\$ 30,679,659	\$ 30,761,869
15	State CBT	9.00%						
16	Federal IT	21.00%						
17	Composite Tax Rate	28.11%						
18	Rate of Return	4.54%						
19	Principle							
20	Estimated Interest							
21	Total Estimated Revenue							

Jersey Central Power & Light
 COVID-19 Cost Amortization & Interest Calculation
 Approval per BPU Docket No. AO20060471

Line No.	Balances used for Interest Calculation	October	November	December	January	February	March	April
		2023	2023	2023	2024	2024	2024	2024
1	Beginning Bal	\$ 30,761,869	\$ 30,120,996	\$ 29,480,124	\$ 29,082,411	\$ 28,436,135	\$ 27,789,859	\$ 27,143,583
2	Amortization	(640,872)	(640,872)	(640,872)	(646,276)	(646,276)	(646,276)	(646,276)
3	Ending Bal	\$ 30,120,996	\$ 29,480,124	\$ 28,839,252	\$ 28,436,135	\$ 27,789,859	\$ 27,143,583	\$ 26,497,308
4	Avg Bal	\$ 30,441,432	\$ 29,800,560	\$ 29,159,688	\$ 28,759,273	\$ 28,112,997	\$ 27,466,721	\$ 26,820,446
5	Less: Dfd Taxes	8,557,087	8,376,937	8,196,788	8,084,232	7,902,563	7,720,895	7,539,227
6	Ending Bal After Tax	\$ 21,884,345	\$ 21,423,623	\$ 20,962,900	\$ 20,675,041	\$ 20,210,434	\$ 19,745,826	\$ 19,281,219
7	Return Rate	4.54%	4.54%	4.54%	4.54%	4.54%	4.54%	4.54%
8	Interest Return	\$ 82,796	\$ 81,053	\$ 79,310	\$ 78,221	\$ 76,463	\$ 74,705	\$ 72,947
9	Cumulative Interest	\$ 82,796	\$ 163,849	\$ 243,159	\$ 321,380	\$ 397,843	\$ 472,548	\$ 545,495
10	Regulatory Asset							
11	Beg Deferred Bal	\$ 30,761,869	\$ 30,160,440	\$ 29,557,269	\$ 28,952,355	\$ 28,346,351	\$ 27,738,590	\$ 27,129,071
12	Interest Accrual	\$ 82,796	\$ 81,053	\$ 79,310	\$ 78,221	\$ 76,463	\$ 74,705	\$ 72,947
13	Less Amortization	\$ 684,224	\$ 684,224	\$ 684,224	\$ 684,224	\$ 684,224	\$ 684,224	\$ 684,224
14	End Deferred Bal	\$ 30,160,440	\$ 29,557,269	\$ 28,952,355	\$ 28,346,351	\$ 27,738,590	\$ 27,129,071	\$ 26,517,793
15	State CBT							
16	Federal IT							
17	Composite Tax Rate							
18	Rate of Return	Estimated Annual Revenue	Estimated Total 4 year Recovery					
19	Principle	7,690,467	30,761,869					
20	Estimated Interest	520,225	2,080,898					
21	Total Estimated Revenue	8,210,692	32,842,767					

Jersey Central Power & Light
 COVID-19 Cost Amortization & Interest Calculation
 Approval per BPU Docket No. AO20060471

Line No.	Balances used for Interest Calculation	September 2027
1	Beginning Bal	\$ 737,414
2	Amortization	(737,414)
3	Ending Bal	<u>\$ -</u>
4	Avg Bal	\$ 368,707
5	Less: Dfd Taxes	103,644
6	Ending Bal After Tax	<u>\$ 265,063</u>
7	Return Rate	4.54%
8	Interest Return	<u>\$ 1,003</u>
9	Cumulative Interest	<u><u>\$ 2,080,898</u></u>
10	Regulatory Asset	
11	Beg Deferred Bal	\$ 683,221
12	Interest Accrual	\$ 1,003
13	Less Amortization	\$ 684,224
14	End Deferred Bal	<u>\$ (0)</u>
15	State CBT	
16	Federal IT	
17	Composite Tax Rate	
18	Rate of Return	
19	Principle	
20	Estimated Interest	
21	Total Estimated Revenue	

JCP&L COVID-19 Deferral as of March 15, 2023

<u>Line</u>	<u>Incremental COVID-19 Costs</u>	<u>Cumulative as of March 15, 2023</u>	
1	Communications	\$590,504	A
2	COVID-19 Pandemic Employee Recognition	\$3,007,212	B
3	COVID-19 Preparation and Response	\$4,431,851	C
4	Facility Cleaning & Guard Service	\$338,025	
5	Forgone Distribution Fee Revenues	\$183,317	
6	Forgone Reconnection Fees	\$522,250	
7	General Business & Travel	\$1,121,219	
8	Incremental A/R Carrying Charge	\$1,001,495	D
9	Lost Productivity	\$5,416,684	E
10	Medical Services	\$738,539	F
11	Personal Protection Equipment (PPE)	\$1,221,885	G
12	Recruited Contingent Labor/Direct COVID-19 OT Labor	\$1,685,080	H
13	Storm Prep and Response - Tropical Storm Isaias	\$7,540,725	I
14	Vehicle Rentals	\$3,252,621	
15	Total Incremental Costs	<u>\$31,051,408</u>	
	<u>Incremental COVID-19 Savings & Cost Offsets</u>		
16	Health Benefits		J
17	Office Supplies	(\$9,766)	K
18	Reduction in Travel Expenses	(\$20,773)	K
19	Travel	(\$794,691)	L
20	Total Savings/Cost Offsets	<u>(\$825,230)</u>	
21	Total Net COVID-19 Costs/Savings	<u>\$30,226,178</u>	M

INCREMENTAL COVID-19 COSTS

A

Communications

Customer education on obtaining bill assistance.

B

COVID-19 Pandemic Employee Recognition

One-time discretionary payment for employees, who were required to continue working in the field or FE location, whose jobs did not allow flexibility to work from home or another location.

C

COVID-19 Preparation and Response

Costs associated with establishing remote reporting sites in order to ensure proper social distancing. These costs include: office space and storage trailers, port-a-johns, washing stations, water, electrician services and cleaning and sanitizing.

All costs listed in this category were a direct result of COVID-19 and would not have been incurred if not for the pandemic.

D

Incremental A/R Carrying Charge

Carrying cost on incremental non-current A/R.

E

Lost Productivity

Incremental Overtime and Contractor Costs to complete work due to employees absences due to COVID-19 illness. As noted in S-JCP&L-16 discovery response, the Company committed to providing a quantification of COVID-related lost productivity, to date, in the report.

- F** **Medical Services**
Includes FMLA Deferrals - Family Medical Leave Absence related to COVID.
- G** **Personal Protection Equipment (PPE)**
Incremental costs of items required for the protection of customers and employees such as gloves, goggles, hazmat bags, face shields/masks, protectors, hoods and liners and sanitation kits.

JCP&L uses Personal Protective Equipment during many activities, additional PPE required to perform activities during the pandemic have been purchased.
- H** **Direct COVID-19 OT Labor**
The amount included above is for incremental COVID-19 overtime to establish remote work sites.
- I** **Storm Prep and Response - Tropical Storm Isaias**
Expenses related to: additional lodging for mutual assistance support to support social distancing, incremental vehicles for mutual assistance support travelling to NJ to support social distancing and increased staging site costs to support COVID testing of mutual assistance contractors before returning home.
- J** **Incremental COVID-19 Savings & Cost Offsets**
Health Benefits
Temporary reduction in group health claims due to deferral of elective surgeries and doctor/dentist visits. However, as reopening has occurred the company has observed increases to medical expenses as employees resume routine healthcare and treatments. The company is monitoring medical service expenses to confirm changes are temporary.
- K** As noted in S-JCP&L-20 discovery response, the Company committed to providing a quantification of COVID-related savings in the 2022Q2 report. The amounts quantified represent the reduction in the allocation of corporate expenses for travel and office supplies to JCP&L.
- L** **Travel**
This relates to JCP&L travel related savings excluding increases in Meter Reading travel expenses which are included in Line 7.
- M** In 1st Quarter 2023, the only costs deferred were associated with interest on COVID related arrearages (\$97,542) and forgone reconnection fees (\$77,166).

BPU No. 13 ELECTRIC - PART III

XX Rev. Sheet No. 4
Superseding XX Rev. Sheet No. 4

**Service Classification RS
Residential Service**

- 3) **Non-utility Generation Charge (Rider NGC):** (See Rider NGC for any applicable St. Lawrence Hydroelectric Power credit)
See Rider NGC for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 4) **Societal Benefits Charge (Rider SBC):**
See Rider SBC for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 5) **RGGI Recovery Charge (Rider RRC):**
See Rider RRC for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 6) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
See Rider ZEC for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 7) **Tax Act Adjustment (Rider TAA):**
See Rider TAA for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 8) **JCP&L Reliability Plus Charge (Rider RP):**
See Rider RP for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 9) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
See Rider LRAM for rate per KWH for all KWH including Off-Peak/Controlled Water Heating
- 10) **Electric Vehicle Charger Rider (Rider EV):**
See Rider EV for information about the EV Driven Program
- 11) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
See Rider CRC for rate per KWH for all KWH including Off-Peak/Controlled Water Heating

TERM OF CONTRACT: None, except that reasonable notice of service discontinuance will be required. Where special circumstances apply or special or unusual facilities are supplied, a contract of one year or more may be required.

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

SERVICE CHARGE: A Service Charge of **\$14.00** shall be applicable for initiating service to a customer under any Service Classification (see Part II, Section 2.01). A **\$54.00** Service Charge shall be applicable for final bill readings requested to be performed other than during the normal working hours of 8 AM to 4:30 PM, Monday through Friday. (See Part II, Section 3.13)

RECONNECTION CHARGES: A Reconnection Charge, applicable after a discontinuance requested by the customer or because of a default by the customer, of **\$45.00** is applicable to service reconnections which can be performed at the meter. The charge for all reconnections which cannot be performed at the meter shall be based upon the costs incurred by the Company. (See Part II, Section 7.04)

DELINQUENT CHARGE: A Field Collection Charge of **\$25.00** shall be applicable for each collection visit made to the customer's premises. (See Part II, Section 3.20)

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

XX Rev. Sheet No. 6

BPU No. 13 ELECTRIC - PART III

Superseding XX Rev. Sheet No. 6

**Service Classification RT
Residential Time-of-Day Service**

APPLICABLE TO USE OF SERVICE FOR: Service Classification RT is available for: (a) Individual Residential Structures; (b) separately metered residences in Multiple Residential Structures; (c) incidental use for non-residential purposes when included along with the residence; and/or (d) Auxiliary Residential Purposes whether metered separately from the residence or not.

This Service Classification is optional for customers which elect to be billed hereunder rather than under Service Classification RS. (Also see Part II, Section 2.03)

CHARACTER OF SERVICE: Single-phase service, with limited applications of three-phase service, at secondary voltages.

RATE PER BILLING MONTH (All charges include Sales and Use Tax as provided in Rider SUT):
All charges are applicable to Full Service Customers. All charges, excluding Basic Generation Service (default service), are applicable to Delivery Service Customers.

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy and Reconciliation Charges as provided in Rider BGS-RSCP (Basic Generation Service – Residential Small Commercial Pricing) (formerly Rider BGS-FP)**
- 2) **Transmission Charge: \$0.009812 per KWH for all KWH on-peak and off Peak**

DELIVERY SERVICE (Customer and Distribution charges include Corporation Business Tax as provided in Rider CBT):

- 1) **Customer Charge: \$ 7.05 per month**
Solar Water Heating Credit: \$ 1.77 per month
- 2) **Distribution Charge:**
\$0.052349 per KWH for all KWH on-peak for June through September
\$0.038452 per KWH for all KWH on-peak for October through May
\$0.024453 per KWH for all KWH off-peak
- 3) **Non-utility Generation Charge (Rider NGC): (See Rider NGC for any applicable St. Lawrence Hydroelectric Power credit)**
See Rider NGC for rate per KWH for all KWH on-peak and off-peak
- 4) **Societal Benefits Charge (Rider SBC):**
See Rider SBC for rate per KWH for all KWH on-peak and off-peak
- 5) **RGGI Recovery Charge (Rider RRC):**
See Rider RRC for rate per KWH for all KWH on-peak and off-peak
- 6) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
See Rider ZEC for rate per KWH for all KWH on-peak and off-peak
- 7) **Tax Act Adjustment (Rider TAA):**
See Rider TAA for rate per KWH for all KWH on-peak and off-peak
- 8) **JCP&L Reliability Plus Charge (Rider RP):**
See Rider RP for rate per KWH for all KWH on-peak and off-peak
- 9) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
See Rider LRAM for rate per KWH for all KWH on-peak and off-peak
- 10) **Electric Vehicle Charger Rider (Rider EV):**
See Rider EV for information about the EV Driven Program
- 11) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
See Rider CRC for rate per KWH for all KWH on-peak and off-peak

Issued:

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Docket No. **dated**

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

**Service Classification RGT
Residential Geothermal & Heat Pump Service**

- 3) **Non-utility Generation Charge (Rider NGC):** (See Rider NGC for any applicable St. Lawrence Hydroelectric Power credit)
 See Rider NGC per KWH for all KWH on-peak and off-peak
- 4) **Societal Benefits Charge (Rider SBC):**
 See Rider SBC per KWH for all KWH on-peak and off-peak
- 5) **RGGI Recovery Charge (Rider RRC):**
 See Rider RRC for rate per KWH for all KWH on-peak and off-peak
- 6) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
 See Rider ZEC for rate per KWH for all KWH on-peak and off-peak
- 7) **Tax Act Adjustment (Rider TAA):**
 See Rider TAA for rate per KWH for all KWH on-peak and off-peak
- 8) **JCP&L Reliability Plus Charge (Rider RP):**
 See Rider RP for rate per KWH for all KWH on-peak and off-peak
- 9) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
 See Rider LRAM for rate per KWH for all KWH on-peak and off-peak
- 10) **Electric Vehicle Charger Rider (Rider EV):**
 See Rider EV for information about the EV Driven Program
- 11) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
 See Rider CRC for rate per KWH for all KWH on-peak and off-peak

DEFINITION OF ON-PEAK AND OFF-PEAK HOURS: The hours to be considered as on-peak are from 8 AM to 8 PM Eastern Standard Time, Monday through Friday. All other hours including weekend hours will be considered off-peak. The Company reserves the right to change the on-peak hours from time to time as the on-peak periods of the supply system change. The Company may also selectively stagger the on-peak hours up to one hour in either direction when required to alleviate local distribution system peaking within high-density areas. The off-peak hours will not, however, be less than 12 hours daily.

TERM OF CONTRACT: None, except that reasonable notice of service discontinuance will be required. Where special circumstances apply or special or unusual facilities are supplied, contracts of one year or more may be required.

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

SERVICE CHARGE: A Service Charge of **\$14.00** shall be applicable for initiating service to a customer under any Service Classification (see Part II, Section 2.01). A **\$54.00** Service Charge shall be applicable for final bill readings requested to be performed other than during the normal working hours of 8 AM to 4:30 PM, Monday through Friday. (See Part II, Section 3.13)

RECONNECTION CHARGES: A Reconnection Charge, applicable after a discontinuance requested by the customer or because of a default by the customer, of **\$45.00** is applicable to service reconnections which can be performed at the meter. The charge for all reconnections which cannot be performed at the meter shall be based upon the costs incurred by the Company. (See Part II, Section 7.04)

DELINQUENT CHARGE: A Field Collection Charge of **\$25.00** shall be applicable for each collection visit made to the customer's premises. (See Part II, Section 3.20)

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

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

Issued:

Effective:

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

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

**Service Classification GS
General Service Secondary**

KWH Charge:

June through September (excluding Water Heating and Traffic Signal Service):

\$0.066358 per KWH for all KWH up to 1000 KWH

\$0.005307 per KWH for all KWH over 1000 KWH

October through May (excluding Water Heating and Traffic Signal Service):

\$0.061400 per KWH for all KWH up to 1000 KWH

\$0.005307 per KWH for all KWH over 1000 KWH

Water Heating Service:

\$0.019600 per KWH for all KWH Off-Peak Water Heating

\$0.025816 per KWH for all KWH Controlled Water Heating

Traffic Signal Service:

\$0.013906 per KWH for all KWH

Religious House of Worship Credit:

\$0.033830 per KWH for all KWH up to 1000 KWH

3) Non-utility Generation Charge (Rider NGC):

See Rider NGC for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

4) Societal Benefits Charge (Rider SBC):

See Rider SBC for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

5) CIEP – Standby Fee as provided in Rider CIEP – Standby Fee (formerly Rider DSSAC)

6) RGGI Recovery Charge (Rider RRC):

See Rider RRC for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

7) Zero Emission Certificate Recovery Charge (Rider ZEC):

See Rider ZEC for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

8) Tax Act Adjustment (Rider TAA):

See Rider TAA for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

9) JCP&L Reliability Plus Charge (Rider RP):

See Rider RP for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and traffic Signal Service)

10) JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):

See Rider LRAM for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and traffic Signal Service)

11) Electric Vehicle Charger Rider (Rider EV):

See Rider EV for information about the EV Driven Program

12) JCP&L COVID-19 Recovery Charge (Rider CRC):

See Rider CRC for rate per KWH for all KWH (including Off-Peak/Controlled Water Heating and Traffic Signal Service)

MINIMUM DEMAND CHARGE PER MONTH: The monthly KW Demand Charge under Distribution Charge shall be the greater of (1) the product of the KW Charge per maximum KW provided above and the current month's maximum demand created during on-peak hours as determined below; or (2) the product of the KW Minimum Charge provided above and the highest on-peak or off-peak demand created in the current and preceding eleven months (but not less than the Contract Demand).

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**Service Classification GST
General Service Secondary Time-Of-Day**

- 3) **Non-utility Generation Charge (Rider NGC):**
See Rider NGC for rate per KWH for all KWH on-peak and off-peak
- 4) **Societal Benefits Charge (Rider SBC):**
See Rider SBC for rate per KWH for all KWH on-peak and off-peak
- 5) **CIEP – Standby Fee as provided in Rider CIEP – Standby Fee (formerly Rider DSSAC)**
- 6) **RGGI Recovery Charge (Rider RRC):**
See Rider RRC for rate per KWH for all KWH on-peak and off-peak
- 7) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
See Rider ZEC for rate per KWH for all KWH on-peak and off-peak
- 8) **Tax Act Adjustment (Rider TAA):**
See Rider TAA for rate per KWH for all KWH on-peak and off-peak
- 9) **JCP&L Reliability Plus Charge (Rider RP):**
See Rider RP for rate per KW for all KW
- 10) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
See Rider LRAM for rate per KW for all KW
- 11) **Electric Vehicle Charger Rider (Rider EV):**
See Rider EV for information about the EV Driven Program
- 12) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
See Rider CRC for rate per KWH for all KWH on-peak and off-peak

MINIMUM DEMAND CHARGE PER MONTH: The monthly KW Demand Charge under Distribution Charge shall be the greater of (1) the product of the KW Charge per maximum KW provided above and the current month's maximum demand created during on-peak hours as determined below; or (2) the product of the KW Minimum Charge provided above and the highest on-peak or off-peak demand created in the current and preceding eleven months (but not less than the Contract Demand).

DETERMINATION OF DEMAND: The KW during on-peak hours used for billing purposes shall be the maximum 15-minute integrated kilowatt demand created during the on-peak hours each billing month calculated to nearest one-tenth KW. The off-peak demand shall be the maximum demand created during the remaining hours. A Contract Demand not less than the actual monthly demands may also be specified for mutually agreeable contract purposes.

DEFINITION OF ON-PEAK AND OFF-PEAK HOURS: The hours to be considered as on-peak are from 8 AM to 8 PM prevailing time Monday through Friday. All other hours including weekend hours will be considered off-peak. The Company reserves the right to change the on-peak hours from time to time as the on-peak periods of the supply system change. The off-peak hours will not be less than 12 hours daily.

TERM OF CONTRACT: None, except that reasonable notice of service discontinuance will be required. Where special circumstances apply or special or unusual facilities are supplied by the Company, a contract of one year or more to supply such facilities or accommodate special circumstances may be required for any Full Service Customer and any Delivery Service Customer.

TERMS OF PAYMENT: Bills are due when rendered by the Company and become overdue when payment is not received by the Company on or before the due date specified on the bill. Overdue bills thereafter become subject to a late payment charge as described in Section 3.19, Part II.

SERVICE CHARGE: A Service Charge of **\$14.00** shall be applicable for initiating service to a customer under any Service Classification (see Part II, Section 2.01). A **\$54.00** Service Charge shall be applicable for final bill readings requested to be performed other than during the normal working hours of 8 AM to 4:30 PM, Monday through Friday. (See Part II, Section 3.13)

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**Service Classification GP
General Service Primary**

APPLICABLE TO USE OF SERVICE FOR: Service Classification GP is available for general service purposes for commercial and industrial customers.

CHARACTER OF SERVICE: Single or three-phase service at primary voltages.

RATE PER BILLING MONTH (All charges include Sales and Use Tax as provided in Rider SUT):
All charges are applicable to Full Service Customers. All charges, excluding Basic Generation Service (default service), are applicable to Delivery Service Customers.

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy, Capacity and Reconciliation Charges as provided in Rider BGS-CIEP (Basic Generation Service – Commercial Industrial Energy Pricing).**
- 2) **Transmission Charge: \$0.006893 per kWh for all KWH**

DELIVERY SERVICE (Customer and Distribution charges include Corporation Business Tax as provided in Rider CBT):

- 1) **Customer Charge: \$ 61.69 per month**
- 2) **Distribution Charge:**
 - KW Charge: (Demand Charge)**
 - \$ 6.43 per maximum KW during June through September
 - \$ 5.97 per maximum KW during October through May
 - \$ 2.18 per KW Minimum Charge
 - KVAR Charge: (Kilovolt-Ampere Reactive Charge)**
 - \$ 0.42 per KVAR based upon the 15-minute integrated KVAR demand which occurs coincident with the maximum on-peak KW demand in the current billing month (See Part II, Section 5.05)
 - KWH Charge:**
 - \$0.003671 per KWH for all KWH on-peak and off-peak
- 3) **Non-utility Generation Charge (Rider NGC):**
 - See Rider NGC for rate per KWH for all KWH on-peak and off-peak
- 4) **Societal Benefits Charge (Rider SBC):**
 - See Rider SBC for rate per KWH for all KWH on-peak and off-peak
- 5) **CIEP – Standby Fee as provided in Rider CIEP – Standby Fee (formerly Rider DSSAC)**
- 6) **RGGI Recovery Charge (Rider RRC):**
 - See Rider RRC for rate per KWH for all KWH on-peak and off-peak
- 7) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
 - See Rider ZEC for rate per KWH for all KWH on-peak and off-peak
- 8) **Tax Act Adjustment (Rider TAA):**
 - See Rider TAA for rate per KWH for all KWH on-peak and off-peak
- 9) **JCP&L Reliability Plus Charge (Rider RP):**
 - See Rider RP for rate per KW for all KW
- 10) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
 - See Rider LRAM for rate per KW for all KW
- 11) **Electric Vehicle Charger Rider (Rider EV):**
 - See Rider EV for information about the EV Driven Program
- 12) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
 - See Rider CRC for rate per KWH for all KWH on-peak and off-peak

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**Service Classification GT
General Service Transmission**

- 5) **CIEP – Standby Fee as provided in Rider CIEP – Standby Fee (formerly Rider DSSAC)**
- 6) **RGGI Recovery Charge (Rider RRC):**
 See Rider RRC for rate per KWH for all KWH on-peak and off-peak
- 7) **Zero Emission Certificate Recovery Charge (Rider ZEC):**
 See Rider ZEC for rate per KWH for all KWH on-peak and off-peak
- 8) **Tax Act Adjustment (Rider TAA):**
 See Rider TAA for rate per KWH for all KWH on-peak and off-peak
- 9) **JCP&L Reliability Plus Charge (Rider RP):**
 See Rider RP for rate per KW for all KW
- 10) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM):**
 See Rider LRAM for rate per KW for all KW
- 11) **Electric Vehicle Charger Rider (Rider EV):**
 See Rider EV for information about the EV Driven Program
- 12) **JCP&L COVID-19 Recovery Charge (Rider CRC):**
 See Rider CRC for rate per KWH for all KWH on-peak and off-peak

MINIMUM CHARGE PER MONTH: The monthly KW Charge (Demand Charge) under Distribution Charge shall be the greater of (1) the product of the KW Charge per maximum KW provided above and the current month's maximum demand created during on-peak hours as determined below; or (2) the product of the KW Minimum Charge provided above and the highest on-peak or off-peak demand created in the current and preceding eleven months (but not less than the Contract Demand). When the maximum on-peak demand created in the current and preceding eleven months has not exceeded 3% of the maximum off-peak demand created in the current and preceding eleven months, the KW Minimum Charge specified above shall be reduced by the KW Minimum Charge Credit stated above.

DETERMINATION OF DEMAND: The KW during on-peak hours used for billing purposes shall be the maximum 15-minute integrated kilowatt demand created during the on-peak hours each billing month calculated to nearest one-tenth KW. The off-peak demand shall be the maximum demand created during the remaining hours. A Contract Demand not less than the actual monthly demands may also be specified for mutually agreeable contract purposes.

DEFINITION OF ON-PEAK AND OFF-PEAK HOURS: The hours to be considered as on-peak are from 8 AM to 8 PM prevailing time Monday through Friday. All other hours including weekend hours will be considered off-peak. The Company reserves the right to change the on-peak hours from time to time as the on-peak periods of the supply system change. The off-peak hours will not be less than 12 hours daily.

TERM OF CONTRACT: None, except that reasonable notice of service discontinuance will be required. Where special circumstances apply or special or unusual facilities are supplied by the Company, a contract of one year or more to supply such facilities or accommodate special circumstances may be required for any Full Service Customer and any Delivery Service Customer.

TERMS OF PAYMENT: Bills are due when rendered by the Company and become overdue when payment is not received by the Company on or before the due date specified on the bill. Overdue bills thereafter become subject to a late payment charge as described in Section 3.19, Part II.

SERVICE CHARGE: A Service Charge of \$14.00 shall be applicable for initiating service to a customer under any Service Classification (see Part II, Section 2.01). A \$54.00 Service Charge shall be applicable for final bill readings requested to be performed other than during the normal working hours of 8 AM to 4:30 PM, Monday through Friday. (See Part II, Section 3.13)

DISCONNECTION / RECONNECTION CHARGES: Charges for all disconnections and reconnections shall be based upon actual costs. (See Part II, Section 7.04)

RECONNECTIONS WITHIN 12-MONTH PERIOD: Customers who request a disconnection and reconnection of service at the same location within a 12-month period shall not be relieved of Minimum Demand Charges resulting from demands created during the preceding eleven months, even though occurring prior to such disconnection.

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BPU No. 13 ELECTRIC - PART III

XX Rev. Sheet No. 26
Superseding XX Rev. Sheet No. 26

Service Classification OL
Outdoor Lighting Service

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

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

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

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

(A) FIXTURE CHARGE:

Nominal Ratings		Billing Month KWH *	HPS	MV	SV
Lamp Wattage	Lamp & Ballast Wattage		Area Lighting	Area Lighting	Flood Lighting
100	121	42	Not Available	\$2.68	Not Available
175	211	74	Not Available	\$2.68	Not Available
70	99	35	\$11.10	Not Available	Not Available
100	137	48	\$11.10	Not Available	Not Available
150	176	62	Not Available	Not Available	\$13.04
250	293	103	Not Available	Not Available	\$13.70
400	498	174	Not Available	Not Available	\$14.06

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

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

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy and Reconciliation Charges as provided in Rider BGS-RSCP (Basic Generation Service – Residential Small Commercial Pricing) (formerly Rider BGS-FP)**
- 2) **Transmission Charge: \$0.000000 per KWH**

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

- 1) **Distribution Charge: \$0.050035 per KWH**
- 2) **Non-utility Generation Charge (Rider NGC): See Rider NGC for rate per KWH**
- 3) **Societal Benefits Charge (Rider SBC): See Rider SBC for rate per KWH**
- 4) **RGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH**
- 5) **Zero Emission Certificate Recovery Charge (Rider ZEC): See Rider ZEC for rate per KWH**
- 6) **Tax Act Adjustment (Rider TAA): See Rider TAA for rate per KWH**
- 7) **JCP&L Reliability Plus Charge (Rider RP): See Rider RP for rate per Fixture**
- 8) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM): See Rider LRAM for rate per KWH**
- 9) **JCP&L COVID-19 Recovery Charge (Rider CRC): See (Rider CRC) for rate per KWH**

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JERSEY CENTRAL POWER & LIGHT COMPANY

XX Rev. Sheet No. 27

BPU No. 13 ELECTRIC - PART III

Superseding XX Rev. Sheet No. 27

**Service Classification OL
Outdoor Lighting Service**

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

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

FACILITIES:

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

(b) Additional Facilities: The per Billing Month charges for poles, transformers and spans of wire furnished by the Company for Service under this Service Classification prior to February 6, 1979 shall respectively be **\$0.73, \$2.93** and **\$0.68** until such time as there is a customer change or those facilities are no longer utilized exclusively for service under this Service Classification, or if those facilities require replacement. New or replacement facilities furnished after that date shall be provided, at the Company's option under a 5-year term of contract, based upon payment of: (1) the following per Billing Monthly charges to be added to the Flat Service Charge: 35 foot pole: **\$6.70**; 40 foot pole: **\$7.50** Secondary Span: **\$3.38**; or (2) a single non-refundable contribution determined under Appendix A (See Tariff Part II) charges when applicable; or otherwise (3) upon payment of specific charges determined under billing work order unitized costs.

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

SPECIAL PROVISIONS:

(a) Seasonal Service: Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and **JCP&L COVID-19 Recovery Charge** will not be billed. The monthly Fixture Charge, the JCP&L Reliability Plus Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

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

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

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BPU No. 13 ELECTRIC - PART III

XX Rev. Sheet No. 28

Superseding XX Rev. Sheet No. 28

**Service Classification SVL
Sodium Vapor Street Lighting Service**

APPLICABLE TO USE OF SERVICE FOR: Service Classification SVL is available for series and multiple circuit street lighting Service operating on a standard illumination schedule of 4200 hours per year supplied from overhead or underground facilities on streets and roads (and parking areas at the option of the Company) where required by City, Town, County, State or other Municipal or Public Agency or by an incorporated association of local residents.

Sodium vapor conversions of mercury vapor or incandescent street lights shall be scheduled in accordance with the Company's SVL Conversion Program, and may be limited to no more than 5% of the lamps served under this Service Classification at the end of the previous year.

CHARACTER OF SERVICE: Sodium vapor lighting for limited period (dusk to dawn) at secondary voltage.

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

(A) FIXTURE CHARGE:

<u>Nominal Ratings</u>		<u>Billing Month</u>	<u>Company</u>	<u>Contribution</u>	<u>Customer</u>
<u>Lamp</u>	<u>Lamp & Ballast</u>				
<u>Wattage</u>	<u>Wattage</u>	<u>KWH *</u>	<u>Fixture</u>	<u>Fixture</u>	<u>Fixture</u>
50	60	21	\$ 6.48	\$ 1.82	\$ 0.88
70	85	30	\$ 6.48	\$ 1.82	\$ 0.88
100	121	42	\$ 6.48	\$ 1.82	\$ 0.88
150	176	62	\$ 6.48	\$ 1.82	\$ 0.88
250	293	103	\$ 7.67	\$ 1.82	\$ 0.88
400	498	174	\$ 7.67	\$ 1.82	\$ 0.88

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

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

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy and Reconciliation Charges as provided in Rider BGS-RSCP (Basic Generation Service – Residential Small Commercial Pricing) (formerly Rider BGS-FP)**
- 2) **Transmission Charge: \$0.000000 per KWH**

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

- 1) **Distribution Charge: \$0.050035 per KWH**
- 2) **Non-utility Generation Charge (Rider NGC): See Rider NGC for rate per KWH**
- 3) **Societal Benefits Charge (Rider SBC): See Rider SBC for rate per KWH**
- 4) **RGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH**
- 5) **Zero Emission Certificate Recovery Charge (Rider ZEC): See Rider ZEC for rate per KWH**
- 6) **Tax Act Adjustment (Rider TAA): See Rider TAA for rate per KWH**
- 7) **JCP&L Reliability Plus Charge (Rider RP): See Rider RP for rate per Fixture**
- 8) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM): See Rider LRAM for rate per KWH**
- 9) **JCP&L COVID-19 Recovery Charge (Rider CRC): See (Rider CRC) for rate per KWH**

TERM OF CONTRACT: Five years for each Company Fixture installation and thereafter on a monthly basis. Where special circumstances apply or special or unusual facilities are supplied, contracts of more than five years may be required. Service which is terminated before the end of the contract term shall be billed the total of 1) the light's monthly Fixture Charge plus 2) the per KWH Distribution Charge applicable to the light's Billing Month KWH, times the remaining months of the contract term. Restoration of Service to lamps before the end of the contract term shall be made at the expense of the customer.

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XX Rev. Sheet No. 30

BPU No. 13 ELECTRIC - PART III

Superseding XX Rev. Sheet No. 30

Service Classification SVL Sodium Vapor Street Lighting Service
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(Continued) poles. When such poles include the mounting of street lighting fixtures provided under this Service Classification, they shall be considered as "fixture-poles" and will be installed, with their associated street lighting wire, without charge to the customer. "Span-poles", which are installed to carry wire to "fixture-poles", shall be installed with their associated wire only upon payment of a non-refundable contribution determined under Appendix A charges (see Tariff Part II) when applicable, or otherwise under billing work order cost estimates. Both fixture-poles and span-poles are installed only along public roadways, or for the extension of existing street lighting service on municipal or governmental properties.

(f) **General:** The Company reserves the right to modify from time to time its specifications relating to street lighting equipment and its installation in order to meet changing conditions. Installations subject to vandalism may be removed at the option of the Company, unless such maintenance costs are provided by the customer.

SPECIAL PROVISIONS:

(a) **Seasonal Service:** Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and JCP&L COVID-19 Recovery Charge will not be billed. The monthly Fixture Charge, the JCP&L Reliability Plus Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

(b) **Street Light Pole Charge:** Where the Company has installed, at its cost, a pole other than a wood distribution pole for a lamp fixture, a per Billing Month Pole Charge of \$8.64 shall be added to the Fixture Charge specified. Such charge shall not be applicable to a Street Light Pole which has had its installation cost paid for by the customer.

(c) **Reduced Lighting Hours:** This Special Provision is restricted to previously installed municipal parking lot lighting where the customer desires that energy for such lighting be conserved by having the Service inoperative for six hours per night and the customer reimburses the Company for the cost of any labor and materials required to provide such time control. The Billing Month KWH for lights under this Special Provision will be reduced based on 2010 annual burning hours. The monthly bill shall be the total of 1) the full monthly Fixture Charge plus 2) the reduced Billing Month KWH times all per KWH charges (BGS Energy and Reconciliation Charges, Transmission Charge, Distribution Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and JCP&L COVID-19 Recovery Charge), plus 3) a reduced lighting hours adjustment equal to the Billing Month KWH difference between the standard illumination schedule and the reduced lighting hours schedule for the light, times the per KWH Distribution Charge; plus 4) the full monthly JCP&L Reliability Plus Charge.

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

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

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Superseding XX Rev. Sheet No. 31

Service Classification MVL
Mercury Vapor Street Lighting Service

RESTRICTION: Service Classification MVL is in process of elimination and is withdrawn except for the installations of customers receiving Service hereunder on July 21, 1982, and only for the specific premises and class of service of such customer served hereunder on such date.

APPLICABLE TO USE OF SERVICE FOR: Series and multiple circuit street lighting service operating on a standard illumination schedule of 4200 hours per year supplied from overhead or underground facilities on streets and roads where required by City, Town, County, State or other Municipal or Public Agency or by an incorporated association of local residents. At the option of the Company, Service may also be provided for lighting service on streets, roads or parking areas on municipal or private property where supplied directly from the Company's facilities when such Service is contracted for by the owner or agency operating such property.

CHARACTER OF SERVICE: Mercury vapor lighting for limited period (dusk to dawn) at secondary voltage or on constant current series circuits.

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

(A) FIXTURE CHARGE:

Nominal Ratings

Lamp <u>Wattage</u>	Lamp & Ballast <u>Wattage</u>	Billing Month <u>KWH *</u>	Company <u>Fixture</u>	Contribution <u>Fixture</u>	Customer <u>Fixture</u>
100	121	42	\$ 4.52	\$ 1.72	\$ 0.87
175	211	74	\$ 4.52	\$ 1.72	\$ 0.87
250	295	103	\$ 4.52	\$ 1.72	\$ 0.87
400	468	164	\$ 4.90	\$ 1.72	\$ 0.87
700	803	281	\$ 5.94	\$ 1.72	\$ 0.87
1000	1135	397	\$ 5.94	\$ 1.72	\$ 0.87

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

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

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy and Reconciliation Charges as provided in Rider BGS-RSCP (Basic Generation Service – Residential Small Commercial Pricing) (formerly Rider BGS-FP)**
- 2) **Transmission Charge: \$0.000000 per KWH**

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

- 1) **Distribution Charge: \$0.050035 per KWH**
- 2) **Non-utility Generation Charge (Rider NGC): See Rider NGC for rate per KWH**
- 3) **Societal Benefits Charge (Rider SBC): See Rider SBC for rate per KWH**
- 4) **RGGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH**
- 5) **Zero Emission Certificate Recovery Charge (Rider ZEC): See Rider ZEC for rate per KWH**
- 6) **Tax Act Adjustment (Rider TAA): See Rider TAA for rate per KWH**
- 7) **JCP&L Reliability Plus Charge (Rider RP): See Rider RP for rate per Fixture**
- 8) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM): See Rider LRAM for rate per KWH**
- 9) **JCP&L COVID-19 Recovery Charge (Rider CRC): See (Rider CRC) for rate per KWH**

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300 Madison Avenue, Morristown, NJ 07962-1911

**Service Classification MVL
Mercury Vapor Street Lighting Service**

(e) Street Light Poles: Street Light Poles refer to all poles other than wood distribution poles, installed, owned and maintained by the Company for street lighting service. Street Light Poles are provided only upon payment by the customer for the installation cost of such pole. Street Light Poles which have previously been installed at the Company's cost, shall be billed at the per Billing Month Street Light Pole Charge set forth in Special Provision (b), or the customer may make a **\$345.22** payment to cover the cost of such previous installation.

(f) General: The Company reserves the right to modify from time to time its specifications relating to street lighting equipment and its installation in order to meet changing conditions. Installations subject to vandalism may be removed at the option of the Company, unless such maintenance costs are provided by the customer.

SPECIAL PROVISIONS:

(a) Seasonal Service: Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and JCP&L COVID-19 Recovery Charge will not be billed. The monthly Fixture Charge, the JCP&L Reliability Plus Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

(b) Street Light Pole Charge: Where the Company has installed, at its cost, a pole other than a wood distribution pole for a lamp fixture, a per Billing Month Pole Charge of **\$8.64** shall be added to the Fixture Charge specified. Such charge shall not be applicable to a Street Light Pole which has had its installation cost paid for by the customer.

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

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

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**Service Classification ISL
Incandescent Street Lighting Service**

SPECIAL PROVISIONS:

(a) Seasonal Service: Such Service will be rendered when the cost of disconnection and reconnection is paid by the customer. During such months of disconnection, the Billing Month KWH for the light will be zero, such that the per KWH charges for BGS Energy and Reconciliation Charges, Transmission Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and JCP&L COVID-19 Recovery Charge will not be billed. The monthly Fixture Charge, the JCP&L Reliability Plus Charge and a seasonal Distribution Charge will be billed during such months of disconnection. The seasonal Distribution Charge will be equal to the Billing Month KWH for the light on a standard illumination schedule, times the per KWH Distribution Charge.

(b) Fire Alarm and Police Box Lamp Charge: 25 watt lamps serviced by the Company and served from existing secondary facilities will be billed a monthly Fixture Charge of \$1.12 and \$0.32 for lamps with individual time controls operated on a standard illumination schedule, and lamps operated 24 hours per day, respectively. Lamps with individual time controls operated on a standard illumination schedule will have a Billing Month KWH of 9 KWH. Lamps operated 24 hours per day will have a Billing Month KWH of 18 KWH. All per KWH charges (BGS Energy and Reconciliation Charges, Transmission Charge, Distribution Charge, Non-utility Generation Charge, Societal Benefits Charge, RGGI Recovery Charge, Zero Emission Certificate Recovery Charge, Tax Act Adjustment, JCP&L Lost Revenue Adjustment Mechanism Charge and JCP&L COVID-19 Recovery Charge) will be billed based on the applicable lamp's Billing Month KWH.

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

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

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**Service Classification LED
LED Street Lighting Service**

CONTRIBUTION FIXTURE (a)

Fixture Wattage	Type	Lumens	Billing Month KWH*	Fixture Charge	Contribution Fixture (a)
30	Cobra Head	2400	11	\$ 2.65	\$ 358.38
50	Cobra Head	4000	18	\$ 2.65	\$ 354.88
90	Cobra Head	7000	32	\$ 2.65	\$ 403.55
130	Cobra Head	11500	46	\$ 2.65	\$ 492.97
260	Cobra Head	24000	91	\$ 2.65	\$ 694.22
50	Acorn	2500	18	\$ 2.65	\$1,295.80
90	Acorn	5000	32	\$ 2.65	\$1,243.30
50	Colonial	2500	18	\$ 2.65	\$ 619.38
90	Colonial	5000	32	\$ 2.65	\$ 793.88

CONTRIBUTION FIXTURE (b)

Fixture Wattage	Type	Lumens	Billing Month KWH*	Fixture Charge	Contribution Fixture (b)
30	Cobra Head	2400	11	\$ 4.24	\$ 209.20
50	Cobra Head	4000	18	\$ 4.24	\$ 205.70
90	Cobra Head	7000	32	\$ 4.24	\$ 254.37
130	Cobra Head	11500	46	\$ 4.24	\$ 343.79
260	Cobra Head	24000	91	\$ 4.24	\$ 545.04
50	Acorn	2500	18	\$ 4.24	\$1,146.62
90	Acorn	5000	32	\$ 4.24	\$1,094.12
50	Colonial	2500	18	\$ 4.24	\$ 470.20
90	Colonial	5000	32	\$ 4.24	\$ 644.70

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

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

BASIC GENERATION SERVICE (default service):

- 1) **BGS Energy and Reconciliation Charges as provided in Rider BGS-RSCP (Basic Generation Service – Residential Small Commercial Pricing) (formerly Rider BGS-FP)**
- 2) **Transmission Charge: \$0.000000 per KWH**

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

- 1) **Distribution Charge: \$0.050035 per KWH**
- 2) **Non-utility Generation Charge (Rider NGC): See Rider NGC for rate per KWH**
- 3) **Societal Benefits Charge (Rider SBC): See Rider SBC for rate per KWH**
- 4) **RGGI Recovery Charge (Rider RRC): See Rider RRC for rate per KWH**
- 5) **Zero Emission Certificate Recovery Charge (Rider ZEC): See Rider ZEC for rate per KWH**
- 6) **Tax Act Adjustment (Rider TAA): See Rider TAA for rate per KWH**
- 7) **JCP&L Reliability Plus Charge (Rider RP): See Rider RP for rate per Fixture**
- 8) **JCP&L Lost Revenue Adjustment Mechanism Charge (Rider LRAM): See Rider LRAM for rate per KWH**
- 9) **JCP&L COVID-19 Recovery Charge (Rider CRC): See (Rider CRC) for rate per KWH**

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JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 13 ELECTRIC - PART III

Original Sheet No. XX

<p>Rider CRC</p> <p>JCP&L COVID-19 Recovery Charge</p>
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APPLICABILITY: The COVID-19 Recovery Charge (“Rider CRC” or “CRC Charge”) provides for recovery of the regulatory asset established by the Company, as authorized by the New Jersey Board of Public Utilities in BPU Docket No. AO20060471, for its net incremental COVID-19-related costs.

The CRC Charge is applicable to all kWh usage of any Full Service Customer or Delivery Service Customer.

Effective October 1, 2023, the CRC Charge for all service classifications is as follows:

CRC = \$0.000414 per KWH (\$0.000441 per KWH including SUT)

The CRC deferred balance shall accrue interest on any over or under recovered balances based on the applicable interest rate for five-year constant maturity Treasuries as published in the Federal Reserve Statistical Release on the first day of each month (or the closest day thereafter on which rates are published), plus sixty basis points, but shall not exceed the Company’s overall rate of return as approved by the BPU. Such interest rate shall be reset annually. The interest calculation shall be based on the net of tax beginning and ending average monthly balance, consistent with the methodology approved in the Board’s Final Order dated May 17, 2004 (Docket No. ER02080506 et al.), and shall be compounded annually (added to the balance on which interest is accrued annually) on January 1 of each year.

On an annual basis, JCP&L will submit a filing to the New Jersey Board of Public Utilities seeking review and reconciliation of the deferred balance in its COVID-19-related regulatory asset and adjustment of the CRC Charge, as appropriate.

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