

June 2, 2020

VIA E-MAIL

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Ms. Aida Camacho-Welch
Secretary
NJ Board of Public Utilities
44 South Clinton Street, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625

**Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to Its Rates and Charges For Electric Service, and For Approval of Other Proposed Tariff Revisions in Connection Therewith ("2020 Base Rate Filing")
OAL Docket No. PUC 04343-2020N
BPU Docket No. ER20020146**

Dear Ms. Camacho-Welch:

On February 18, 2020, Jersey Central Power & Light Company ("JCP&L") filed a base rate case petition with the Board of Public Utilities ("2020 Base Rate Filing"), which is pending in the above-captioned docket numbers (but has not yet been assigned to an Administrative Law Judge). The 2020 Base Rate Filing proposed a test year of the twelve months ending June 30, 2020, and included six months of actual data and six months of forecasted data ("6 + 6").

Enclosed for filing is the "9 + 3" update on behalf of JCP&L, which includes actual data through March 31, 2020 and projected data through June 30, 2020. The following "9 + 3" schedules are included in this filing: Exhibit JC-4, Schedules CAP-1, CAP-2, CAP-3, CAP-4, CAP-5, and Exhibit JC-5, Schedule JS-1.

Please note that the Company has netted the deferred tax regulatory liability associated with the proposed sale of its ownership interest in TMI-2 (pending in BPU Docket No. EM19111460) against the deferred storm cost balance, which reduces that balance by approximately \$12 million and reduces the Company's annual revenue requirement by approximately \$4 million. See Exhibit JC-4, Schedule CAP-2, p. 17 (9+3).

Also enclosed for filing are updated versions of Appendices B, C, D, E and G to the Petition, which provide versions of these filing requirements with data through December 31, 2019.

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Respectfully submitted,

COZEN O'CONNOR

A handwritten signature in blue ink, appearing to read "Gregory Eisenstark".

By: Gregory Eisenstark

GE:lg

c: Ms. Susan Rogers - Acting Clerk, OAL
Service List (via electronic mail)

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BPU Dkt. No.: ER ER20020146
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JERSEY CENTRAL POWER & LIGHT COMPANY
Pro Forma Statements of Net Utility Operating Income for the Twelve Months Ended 6/30/20
Normalized and Adjusted to Reflect the Effect of Known Major Changes and Proposed Rates

Line No.		Unadjusted Total Company (a) (1)	Non-Distribution Adjustments (b) (2)	Unadjusted Distribution (3)	Normalization Adjustments (4)	Pro Forma Present Rates (5)	Additional Revenue to Achieve Return (6)	Requested Pro Forma Proposed Rates (7)
1	Electric Retail Sales	\$ 1,617,414,846	\$ (1,074,658,207)	\$ 542,756,639	\$ (999,856)	\$ 541,756,783	\$ 181,976,347	\$ 723,733,130
2	Sales for Resale	27,555,191	(27,555,191)	-	-	-	-	-
3	Total Electric Sales	\$ 1,644,970,037	\$ (1,102,213,398)	\$ 542,756,639	\$ (999,856)	\$ 541,756,783	\$ 181,976,347	\$ 723,733,130
4	Other Operating Revenue	105,133,245	(90,562,357)	14,570,888	(3,809,051)	10,761,837	-	10,761,837
5	Total Revenue	\$ 1,750,103,282	\$ (1,192,775,755)	\$ 557,327,527	\$ (4,808,907)	\$ 552,518,620	\$ 181,976,347	\$ 734,494,967
6	O&M - Production	\$ 873,142,915	\$ (873,142,915)	\$ -	\$ -	\$ -	\$ -	\$ -
7	O&M - Transmission	34,922,193	(34,922,193)	-	-	-	-	-
8	O&M - Distribution	159,114,711	(62,172,908)	96,941,803	10,948,803	107,890,606	-	107,890,606
9	O&M - Customer Accounts	36,552,716	(6,893,102)	29,659,614	-	29,659,614	-	29,659,614
10	O&M - Customer Service	116,813,997	(106,129,265)	10,684,732	-	10,684,732	-	10,684,732
11	O&M - Sales Expense	43,801	-	43,801	-	43,801	-	43,801
12	O&M - A&G	186,568,382	(39,984,402)	146,583,980	(72,216,108)	74,367,872	-	74,367,872
13	Subtotal Operation & Maintenance	\$ 1,407,158,715	\$ (1,123,244,785)	\$ 283,913,930	\$ (61,267,305)	\$ 222,646,625	\$ -	\$ 222,646,625
14	Depreciation & Amortization	\$ 177,833,145	\$ (47,846,384)	\$ 129,986,761	\$ 23,845,749	\$ 153,832,510	\$ -	\$ 153,832,510
15	Regulatory Debits	57,993,696	(32,317,809)	25,675,887	77,129,383	102,805,270	-	102,805,270
16	Regulatory Credits	(93,010,180)	80,493,031	(12,517,149)	(101,996)	(12,619,145)	-	(12,619,145)
17	Taxes Other Than Income	10,916,282	(1,821,433)	9,094,849	347,562	9,442,411	-	9,442,411
18	Accretion Expense	9,331,373	-	9,331,373	-	9,331,373	-	9,331,373
19	Total Operating Expenses	\$ 1,570,223,031	\$ (1,124,737,380)	\$ 445,485,651	\$ 39,953,393	\$ 485,439,044	\$ -	\$ 485,439,044
20	Operating Income Before Income Taxes	\$ 179,880,251	-	\$ 111,841,876	\$ (44,762,300)	\$ 67,079,576	\$ 181,976,347	\$ 249,055,923
21	Income Taxes	\$ 12,673,355	-	\$ 31,438,751	\$ (35,526,602)	\$ (4,087,851)	\$ 51,153,551	\$ 47,065,700
22	Net Utility Operating Income	<u>\$ 167,206,896</u>	-	<u>\$ 80,403,125</u>	<u>\$ (9,235,698)</u>	<u>\$ 71,167,427</u>	<u>\$ 130,822,796</u>	<u>\$ 201,990,223</u>

(a) Includes July 2019 to March 2020 actuals and forecasted April to June 2020 income statement.

(b) Consists of revenues and expenses related to transmission operations and reconciling revenue and expense items.

JERSEY CENTRAL POWER & LIGHT COMPANY
Summary of Test Year Normalization/Annualization Adjustments

Adjmt. No.		Revenue (1)	O&M (2)	Depreciation (3)	Amortization (4)	Taxes (5)	Total (6)
1	Revenue Normalization Adjustment	(4,854,389)					
2	Tariff Fee Adjustments	45,482	-		-		
3	Interest on Customer Deposits		1,104,116				
4	Annualize Salary and Wage Rate Increases at 3%		4,543,289				
4(a)	Savings Plan - Company Contribution for S&W Increase		136,299				
4(b)	FICA Tax on annualized S&W Increases					347,562	
5	Reclass Amortization of Net Loss on Reacquired Debt		640,674				
6	BPU & Rate Counsel Assessments		(499,174)				
7	Return Net Gain on Sale of Property				(101,996)		
8	Rate Case Expenses		156,039				
9	OPEB Settlement				1,187,500		
10	Pension		(69,720,987)				
10(a)	OPEB		(3,046,934)				
11	Normalize Vegetation Management Expense		4,504,685				
12	Amortization of Vegetation Management Regulatory Asset				2,568,206		
13	Annualize Depreciation Expense			16,761,129			
14	Average Net Salvage			7,084,620			
15	Storm Damage Cost Amortization				72,068,421		
16	Service Company Depreciation Expense at JCP&L Rates		1,579,225				
17	SERP/EDCP		(1,215,651)				
18	Advertising		(892,471)				
19	Other Corporate Cost Allocations		139,650				
20	ARAM Amortization				93,470		
21	LED				-	-	
22	Production Related Regulatory Asset Amortization				1,211,786		
23	Service Company O&M		1,303,935				
24	Investment Tax Credit Amortization					(98,006)	
25	Interest Synchronization - Tax on Long Term Debt					(17,554,626)	
26	Income Taxes on Adjustments					(12,582,683)	
27	Tax Reform Amortization					(5,291,287)	
Total Adjustments		(4,808,907)	(61,267,305)	23,845,749	77,027,387	(35,179,040)	9,235,698

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 1

Adjustment to retail distribution revenue for weather normalization.

Electric sales (distribution) revenue 12ME June 2020	\$ 542,756,639 (a)
Weather-normalized distribution revenue	537,902,250
Adjustment to total revenue	<u>\$ (4,854,389)</u>
Electric sales (distribution) revenue 12ME June 2020	\$ 542,756,639
Weather normalized distribution revenue (based on billing determinants)	541,756,783
Adjustment to retail revenue	<u>\$ (999,856)</u>
Adjustment to retail revenue	\$ (999,856)
Misc adjustments to other operating revenue	(3,854,533)
Adjustment to total revenue	<u>\$ (4,854,389)</u>

(a) Reference schedule CAP-1, column 3, line 1.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 2

Adjustment to other operating income to reflect proposed fee changes in Tariff Part III - Service Classifications.

	Test Year Other Oper Rev (1)	Current Fee (2)	No. of Occurrences (1)/(2)=(3)	Proposed Fee (4)	Estimated Annual Revenue (3)x(4)=(5)	Adjmt to Other Revenue (5)-(1)
Return Check Charge	\$ 181,933	\$ 12.00	15,161	\$ 15.00	\$ 227,415	\$ 45,482
Total Adjustment to Other Operating Revenue						<u>\$ 45,482</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 3

Adjustment to reclassify and annualize interest on customer deposits.

Forecasted customer deposits balance at 06/30/2020	\$ 47,386,955
Interest rate 2020	<u>2.33% (a)</u>
Annualized interest on customer deposits	<u><u>\$ 1,104,116</u></u>

(a) Based upon the average yield on new six month Treasury Bills for the 12-month period ending September 30, 2019.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 4, 4(a) and 4(b)

Adjustment (4) reflects annualized salary and wage ("S&W") rate increases (WRI) effective November 1 and May 1 for bargaining and non-bargaining employees, respectively. Additional adjustments for the impact of the S&W increase was applied to the savings plan 4(a) and FICA tax 4(b).

	Total straight-time labor cost		
	<u>Bargaining</u>	<u>Non-Bargaining</u>	<u>Total</u>
Annualized S&W cost with WRI	\$ 60,003,062	\$ 26,672,411	\$ 86,675,473
12 months ending June 2020 test year amount	\$ 56,841,434	\$ 25,290,750	\$ 82,132,184
Adjustment No. 4	<u>\$ 3,161,628</u>	<u>\$ 1,381,661</u>	<u>\$ 4,543,289</u>
Total savings plan - Company contribution for annualized Salary & Wage Increase *			
	Bargaining	3%	\$ 94,849
	Non-Bargaining	3%	\$ 41,450
Adjustment No. 4(a)	<u>TOTAL</u>		<u>\$ 136,299</u>
Total FICA tax on annualized S&W Increase **			
	Bargaining	7.65%	\$ 241,865
	Non-Bargaining	7.65%	\$ 105,697
Adjustment No. 4(b)	<u>TOTAL</u>		<u>\$ 347,562</u>

* Company contributes 50 cents per dollar up to 6%.

** Federal Insurance Contribution Act "FICA"-Social Security rate of 6.2% plus 1.45% Medicare.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 5

Adjustment to reclassify the amortization of net loss on reacquired debt from interest charges to operation expense.

Amortization of loss on reacquired debt at 6/30/2020	\$ 877,378
Amortization of gain on reacquired debt at 6/30/2020	(19,716)
Amortization of net loss on reacquired debt	<u>\$ 857,662</u>
Distribution plant allocation	74.70%
Distribution net loss on reacquired debt	<u>\$ 640,674</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 6

Adjustment to NJBPU and Rate Counsel Assessments based on weather-normalized test year revenues.

	NJBPU	RPA	Total
Gross revenues from intrastate sales			<u>\$1,737,622,294</u> (a)
Assessment rate	0.2026%	0.0543%	
Total assessment	\$ 3,520,284	\$ 943,494	\$ 4,463,778
Test year accrued amount	3,959,015	1,003,937	4,962,952
Adjustment to assessment expense	<u>\$ (438,731)</u>	<u>\$ (60,443)</u>	<u>\$ (499,174)</u>

(a) Amount will be adjusted to reflect the revenue requirement approved by the BPU.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 7

Gain on the Sale of Utility Property to be shared 50% with shareholders
in accordance with prior BPU Orders

	at 6/30/2020
Gain on Sale of Assets	<u>\$ (1,019,956)</u>
50% Sharing	<u>\$ (509,978)</u>
Amortization in years	<u>5</u>
Annual amortization	<u>\$ (101,996)</u>
Expense in test year	<u>-</u>
Adjustment to test year	<u><u>\$ (101,996)</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 8

Adjustment to reflect amortization of expense associated with various rate and regulatory proceedings

Estimated rate case expense for 2020 case:

Legal fees and expenses	\$ 1,000,000
Consultant fees and expenses	\$ 154,310
Court reporter fees	\$ 3,000
Duplication	\$ 24,000
Public notices	\$ 65,000
Postage/messenger service	\$ 2,000
Total	<u>\$ 1,248,310</u>

50/50 Sharing	\$ 624,155
Amortization period in years	4
2020 base rate case annual amortization expense	<u>\$ 156,039</u>

Total annual base rate case amortization	<u>\$ 156,039</u>
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JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 9

Adjustment to reflect amortization of expense associated with the OPEB retiree settlement.

OPEB liability concerning settlement	\$ 4,750,000
Total OPEB Liability	<u>\$ 4,750,000</u>
Amortization 4 years	<u>4</u>
Total Annual OPEB Retiree Amortization	<u><u>\$ 1,187,500</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 10

Adjustment to Test Year pension expense to reflect actuarial gains/losses under the pre-2011 accounting methodology.

Line No.	Description	12 ME June 30 2020 Amount
1	Pension expense per books	\$ 86,719,611
2	Remove test year pension M-t-M expense for actuarial gains/losses	<u>\$ (117,407,218)</u>
3	Add test year pension expense for actuarial gains/losses using pre-2011 acctg methodology	<u>\$ 39,991,065</u>
4	Adjustment to test year pension expense (Line 2 + Line 3)	<u><u>\$ (77,416,153)</u></u>
5	Distribution allocation percentage based on 2018 distribution S&W	90.06%
6	Adjustment to test year pension expense to reflect actuarial gains/losses under the pre-2011 acctg methodology	<u><u>\$ (69,720,987)</u></u>
7	Total requested distribution pension expense	<u><u>\$ 8,378,695</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 10(a)

Adjustment to Test Year OPEB expense to reflect actuarial gains/losses under the pre-2011 accounting methodology.

Line No.	Description	12 ME June 30 2020 Amount
1	OPEB expense per books	\$ 14,031,285
2	Remove test year OPEB M-t-M expense for actuarial gains/losses	<u>\$ (13,060,900)</u>
3	Add test year OPEB expense for actuarial gains/losses using pre-2011 acctg methodology	<u>\$ 9,677,673</u>
4	Adjustment to test year OPEB expense (Line 2 + Line 3)	<u><u>\$ (3,383,227)</u></u>
5	Distribution allocation percentage based on 2018 distribution S&W	90.06%
6	Adjustment to test year OPEB expense to reflect actuarial gains/losses under the pre-2011 acctg methodology	<u><u>\$ (3,046,934)</u></u>
7	Total requested distribution OPEB expense	<u><u>\$ 9,589,641</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 11

Adjustment to address both the ongoing increased expense associated with new BPU vegetation management standards, and the test year level of spending above the amount the BPU approved in the Company's last base rate case.

	<u>Vegetation Management Expense</u>
Total test year distribution vegetation management O&M expense	\$ 16,454,204
Test year distribution vegetation management O&M expense less deferred amount	11,949,519 *
Adjustment to test year vegetation management O&M expense	<u><u>\$ 4,504,685</u></u>

* Amount approved in 2016 Base Rate case per BPU Docket No.
ER16040383.
(\$11,380,494 X 1.05 = \$11,949,519)

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 12

Adjustment to reflect amortization of deferred distribution vegetation management expense per authorized approval in BPU Docket No. ER12111052.

Actual distribution vegetation management regulatory asset at 12/31/19	\$ 9,660,907
Forecasted distribution vegetation management regulatory asset at 6/30/20	<u>\$ 611,918</u>
Total estimated recoverable forestry regulatory asset	<u>\$ 10,272,825</u>
Amortization 4 years	<u>4</u>
Total annual vegetation management amortization	<u><u>\$ 2,568,206</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 13

Adjustment to annualize depreciation expense net of cost of removal.

	Depreciation Expense
Distribution Plant:	
Annualized depreciation expense	\$ 111,963,256
General plant allocated to distribution:	
Annualized GP depreciation expense	7,303,433
General Plant unrecovered reserve amortization	2,637,161
Total annualized depreciation expense	\$ 121,903,850
Total annualized depreciation expense in test year	104,999,102
Adjustment to depreciation expense (403)	<u>\$ 16,904,748</u>
Intangible plant allocated to distribution:	
Annualized IP amortization expense	\$ 8,931,195
Test year IP amortization expense	8,972,790
Adjustment to test year amortization expense (404)	<u>\$ (41,595)</u>
Delayed Recognition Pension & OPEB	\$ (1,545,534)
Add depreciation associated with post TY CAPEX	663,309
Add Rider RP Depreciation	780,201
Total	<u>\$ (102,024)</u>
Total Depreciation and Amortization Adjustment	<u><u>\$ 16,761,129</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 14

Adjustment to net cost of removal allowance, based on accrual method, not included in depreciation rate.

Net average cost of removal/salvage (Distribution)	\$ 23,099,489
Net cost of removal/salvage accrual test year	<u>16,014,869</u>
Adjustment to the allowance for net COR/Salvage	<u><u>\$ 7,084,620</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 15

Adjust amortization of deferred storm damage costs.

	Regulatory Asset Balance @ 3/31/2020
Other Storms	\$ 290,805,413
2011 Hurricane Irene (a)	14,160,789
Total March 31, 2020 Balance	<u>\$ 304,966,202</u>
Less TMI-2 Tax Liability	<u>\$ (12,060,302)</u>
Total Storm Recovery Balance	<u>\$ 292,905,900</u>
3-Year Amortization	<u>3</u>
Annual Amortization	\$ 97,635,300
Less amortization included in test year	25,566,879
Adjustment	<u><u>\$ 72,068,421</u></u>

(a) Storm costs include deferred storm damages relating to storms, which were granted a separate recovery in BPU Docket No. ER12111052.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 16

Adjustment to recalculate First Energy Service Company depreciation using JCP&L's depreciation rates.

FIRSTENERGY SERVICE COMPANY

12 Months Ended June 30, 2020

		Based on JCPL rates			FECO Depreciation		
DESCRIPTION	BALANCE AT July 1, 2019	Depreciation on Beginning Balance	Depreciation on Plant Additions	Total Depreciation	UI Planner FERC 403 Depreciation Exp	Difference	
<u>SERVICE COMPANY PROPERTY</u>							
<u>Account</u>							
301 ORGANIZATION	49,344	0	0	0	0	0	
303 MISCELLANEOUS INTANGIBLE PLANT	417,629,746	35,492,767	0	35,492,767	35,492,767	0	
304 LAND & LAND RIGHTS	230,947					0	
305 STRUCTURES AND IMPROVEMENTS	65,374,594	908,141	(123,379)	784,761	2,571,970	(1,787,209)	
306 LEASEHOLD IMPROVEMENTS (1)	0	0	0	0			
307 EQUIPMENT (2)	138,797,039	6,936,255	211,080	7,147,336	8,298,527	(1,151,192)	
308 OFFICE FURNITURE AND EQUIPMENT	167,035,260	30,797,560	1,515,678	32,313,238	17,429,979	14,883,259	
309 AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT	2,128,404	90,040	32,883	122,923	275,409	(152,487)	
310 AIRCRAFT AND AIRPORT EQUIPMENT	0	0	0	0	0	0	
311 OTHER SERVICE COMPANY PROPERTY	0	0	0	0	0	0	
SUB - TOTAL	791,245,335	74,224,764	1,636,261	75,861,025	64,068,653	11,792,372	
Year 2020 allocation factor from SC00 to JCP&L for Depr Expense				14.87%	14.87%		
2020 annual depreciation expense allocated to JCP&L				\$ 11,280,534	\$ 9,527,009	1,753,525	
Distribution allocation based upon Salaries and Wages						90.06%	
Distribution Service Company Depreciation						\$ 1,579,225	

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 17

Adjustment to remove SERP "Supplemental Executive Retirement Plan"
and EDCP "Executive Deferred Compensation Plan" expense.

SERP & EDCP:	
JCP&L	\$ (260,424)
Service Company	(1,089,400)
Total	<u>\$ (1,349,824)</u>
Salary and wage distribution allocator	<u>90.06%</u>
Adjustment to remove SERP and EDCP	<u><u>\$ (1,215,651)</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 18

Adjustment to remove advertising expenses relating to promotional,
institutional or civic memberships.

	Amount
Informational or instructional advertising	\$ 72,933
12 Months-ending June 2020 TY Expense	\$ 965,404
Adjustment to remove advertising expense	<u><u>\$ (892,471)</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 19

Other Corporate Cost Allocations

<i>12 Months ended 6/30/2020</i>	FERC Accounts	Amount	Retention	Multifactor allocation % to JC01 (MA1)	Test year amount allocated to JC01	S&W Alloc	JCPL Distribution
Audit fees	923.0	1,156,799	5%	14.11%	155,063	90.06%	139,650
		<u>\$ 1,156,799</u>			<u>\$ 155,063</u>		<u>139,650</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 20

Adjustment to reflect amortization of expense associated with ARAM underrecovery.

ARAM underrecovery concerning TCJA:

ARAM underrecovery

\$ 373,881

Amortization period in years

4

Total Annual ARAM Amortization

\$ 93,470

NOTE: ARAM underrecovery per BPU order.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 21

Adjustment relating to LED regulatory asset.

ARAM underrecovery concerning TCJA:

LED Regulatory Asset

\$ 14,713

Amortization period in years

\$ -

Total LED amortization

\$ -

Note:

Company not requesting recovery at this time.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 22

Adjustment to accelerate the amortization of production-related regulatory assets.

			<u>6/30/2020</u>
Balance of deferred Oyster Creek Design Basis Documentation costs			\$ 2,701,657
Balance of deferred TMI-1 Design Basis Documentation costs			<u>1,260,726</u>
			\$ 3,962,383
Amortization over 3 years			\$ 1,320,794
Amortization in test year 2020	Oyster Creek DBD	\$ 83,004	
	TMI-1 DBD	\$ 26,004	<u>109,008</u>
Adjustment to amortization expense			<u>\$ 1,211,786</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 23

Adjustment to operations & maintenance expense due to corporate allocation change.

	<u>6/30/2020</u>
O&M	\$ 1,447,851
Distribution S&W allocator	90.06%
Adjustment to expense	<u><u>\$ 1,303,935</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 24

Adjustment to include investment tax credit amortization.

Investment Tax Credit:	
FERC Account 411.40	\$ (131,199)
Distribution plant allocator	<u>74.70%</u>
Adjustment for distribution investment tax credit	<u><u>\$ (98,006)</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 25

Income taxes associated with synchronized interest on outstanding debt

Synchronized Cost of Debt at end of test year (a)		\$	62,449,755
State Corporate Business Tax	9.00%		(5,620,478)
Federal Income Tax	21.00%		(11,934,148)
Tax Adjustment		\$	<u>(17,554,626)</u>
(a) Rate Base at end of test year		\$	2,602,966,790
Weighted cost of debt			
Cost of Debt	5.083%		
Long Term Debt capitalization ratio	47.20%		<u>2.40%</u>
Total synchronized cost of debt		\$	<u>62,449,755</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 26

Effect of Applicable Adjustments on Income Taxes.

Adjustment No.		Effect on Taxable Income
1	Revenue Normalization Adjustment	\$ (4,854,389)
2	Tariff Fee Adjustments	\$ 45,482
3	Interest on Customer Deposits	\$ (1,104,116)
4	Annualize Payroll Wage Rate Increases	\$ (4,543,289)
4 (a)	Savings Plan match on Payroll Wage Increase	\$ (136,299)
4 (b)	FICA tax on Payroll Wage Increase	\$ (347,562)
5	Reclass Amortization of Net Loss on Reacquired Debt	\$ (640,674)
6	BPU & Ratepayer Advocate Assessments	\$ 499,174
7	Return Net Gain on Sale of Property	\$ 101,996
8	Rate Case Expenses	\$ (156,039)
9	OPEB Settlement	\$ (1,187,500)
10(a)	Pension Smoothing	\$ 69,720,987
10(b)	OPEB Smoothing	\$ 3,046,934
11	Normalize Forestry Maintenance Expense	\$ (4,504,685)
12	Amortization of Forestry Regulatory Asset	\$ (2,568,206)
13	Annualize Depreciation Expense	\$ (16,761,129)
14	Average Net Salvage	\$ (7,084,620)
15	Storm Damage Cost Amortization	\$ (72,068,421)
16	Service Company depreciation expense at JCP&L Rates	\$ (1,579,225)
17	SERP/EDCP	\$ 1,215,651
18	Remove Advertising (promotional, institutional and civic)	\$ 892,471
19	Other Corporate Cost Allocations	\$ (139,650)
20	ARAM	\$ (93,470)
21	LED	\$ -
22	Production Related Regulatory Asset Amortization	\$ (1,211,786)
23	Service Company O&M	\$ (1,303,935)
	Taxable income for State income taxes	<u>\$ (44,762,300)</u>
	New Jersey Corporate Business Tax at 9.00%	\$ (4,028,607)
	Taxable income for Federal income taxes	<u>\$ (40,733,693)</u>
	Federal income tax at 21.00%	\$ (8,554,076)
	Total income taxes	<u><u>\$ (12,582,683)</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 27

Base Rate ARAM Amortization

		Amount
Grossed-Up For Tax	Protected Property	(7,965,052)
Net of Tax	Protected Property	(5,726,076)
Grossed-Up For Tax	NOL	604,798
Net of Tax	NOL	434,789
ARAM Net of Tax Amount		<u>(5,291,287)</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Explanation of Adjustments Under Proposed Rates

		Additional Revenues To Achieve Return
Rate Base	\$ 2,602,966,790	
Rate of Return (A)	7.76%	
Return Required	201,990,223	
Normalized Income	71,167,427	
Income Deficiency	130,822,796	
Tax Gross-up Factor	1.391014049	
Revenue Deficiency	\$ 181,976,347	
Proposed Increase in Revenues		\$ 181,976,347
State Corporate Business Tax	9.00%	16,377,871
Federal Income Tax	21.00%	34,775,680
Total Tax	28.11%	51,153,551
Effect on Operating Income		\$ 130,822,796

(A)	Capitalization Ratio	Embedded Cost	Rate of Return
Required Rate of Return			
Long Term Debt	47.20%	5.083%	2.40%
Common Equity	52.80%	10.15%	5.36%
Total Rate of Return	100.00%		7.76%

JERSEY CENTRAL POWER & LIGHT COMPANY
Actual and Pro Forma Rates of Return for Test Year
Adjusted to Reflect the annualized Effect of Proposed Rates
and of Known Major Changes

Present Rates	
Actual plus forecast (6+6)	
Operating Income	<u><u>\$ 80,403,125</u></u>
Net Investment in Rate Base	<u><u>\$ 2,602,966,790</u></u>
Rate of return	<u><u>3.09%</u></u>
Pro Forma	
Operating Income	<u><u>\$ 71,167,427</u></u>
Net Investment in Rate Base	<u><u>\$ 2,602,966,790</u></u>
Rate of return	<u><u>2.73%</u></u>
Proposed Rates	
Pro Forma	
Operating Income	<u><u>\$ 201,990,223</u></u>
Net Investment in Rate Base	<u><u>\$ 2,602,966,790</u></u>
Rate of return	<u><u>7.76%</u></u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Distribution Rate Base at End of Test Year

Line No.		Balance at 6/30/2020 (a) (1)	Balance at 6/30/2020 (b) (2)	Balance 12/31/2020 (c) (3)	Balance 12/31/2020 (d) (4)	Total Rate Base (5) (Sum 1 to 4)
1	Total Electric Utility Plant in Service	\$ 5,511,567,217	\$ (68,892,010)	\$ 30,013,986	\$ 22,557,815	\$ 5,495,247,008
	Deductions:					
2	Accumulated Provision for Depreciation	1,785,985,928	(12,716,844)	663,309	780,201	1,774,712,594
3	Accumulated Deferred Income Tax	1,121,833,484	(15,964,351)	129,929	352,633	1,106,351,695
4	Customer Advances for Construction (Net of Deferred Tax)	34,598,405				34,598,405
5	Customer Deposits	47,386,955				47,386,955
6	Customer Refunds	4,293,067				4,293,067
7	Excess Cost of Removal	87,758,072				87,758,072
8	Operating Reserves	10,632,276				10,632,276
9	Consolidated Tax Adjustment	20,868,405				20,868,405
		-				-
10	Total Deductions	\$ 3,113,356,592	\$ (28,681,195)	\$ 793,238	\$ 1,132,834	\$ 3,086,601,469
	Additions:					
11	Unamortized Net Loss on Reacquired Debt	2,186,848				2,186,848
12	Net Operating Loss	22,826,438				22,826,438
13	Property Related Unprotected Amortization	32,052,681				32,052,681
	Total Additions	\$ 57,065,967	\$ -	\$ -	\$ -	\$ 57,065,967
	Working Capital:					
14	Materials & Supplies Inventory	22,419,179				22,419,179
15	Cash Working Capital	114,836,105				114,836,105
16	Total Working Capital	\$ 137,255,284	\$ -	\$ -	\$ -	\$ 137,255,284
17	Total Net Rate Base Investment	\$ 2,592,531,876	\$ (40,210,815)	\$ 29,220,748	\$ 21,424,981	\$ 2,602,966,790
	(a) Inclusive of Rider RP forecast in service through 06/30/2020					
	Capital Additions	74,403,591				
	Accumulated Provision for Depreciation	(613,547)				
	Accumulated Deferred Income Tax	(221,367)				
	Rider RP Deferred Cost of Removal	1,888,563				
	Net Rate Base	\$ 75,457,240				
	Inclusive of Property Related Unprotected Amortization from 07/1/2019 through 12/31/2020	\$ 32,052,681				
	(b) Pension & OPEB Delayed Recognition					
	(c) Major Reliability Projects forecast to be in service through 12/31/2020 (six months beyond the test year)					
	(d) Rider RP Projects forecast to be in service through 12/31/2020 (six months beyond the test year)					

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 3

Adjustment to reclassify and annualize interest on customer deposits.

Forecasted customer deposits balance at 06/30/2020	\$ 47,386,955
Interest rate 2020	<u>2.33% (a)</u>
Annualized interest on customer deposits	<u><u>\$ 1,104,116</u></u>

(a) Based upon the average yield on new six month Treasury Bills for the 12-month period ending September 30, 2019.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 5

Adjustment to reclassify the amortization of net loss on reacquired debt from interest charges to operation expense.

Amortization of loss on reacquired debt at 6/30/2020	\$ 877,378
Amortization of gain on reacquired debt at 6/30/2020	<u>(19,716)</u>
Amortization of net loss on reacquired debt	<u>\$ 857,662</u>
Distribution plant allocation	74.70%
Distribution net loss on reacquired debt	<u>\$ 640,674</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 6

Adjustment to NJBPU and Rate Counsel Assessments based on weather-normalized test year revenues.

	NJBPU	RPA	Total
Gross revenues from intrastate sales			<u>\$1,737,622,294</u> (a)
Assessment rate	0.2026%	0.0543%	
Total assessment	\$ 3,520,284	\$ 943,494	\$ 4,463,778
Test year accrued amount	3,959,015	1,003,937	4,962,952
Adjustment to assessment expense	<u>\$ (438,731)</u>	<u>\$ (60,443)</u>	<u>\$ (499,174)</u>

(a) Amount will be adjusted to reflect the revenue requirement approved by the BPU.

JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 8

Adjustment to reflect amortization of expense associated with various rate and regulatory proceedings

Estimated rate case expense for 2020 case:

Legal fees and expenses	\$ 1,000,000
Consultant fees and expenses	\$ 154,310
Court reporter fees	\$ 3,000
Duplication	\$ 24,000
Public notices	\$ 65,000
Postage/messenger service	\$ 2,000
Total	<u>\$ 1,248,310</u>

50/50 Sharing	\$ 624,155
Amortization period in years	4
2020 base rate case annual amortization expense	<u>\$ 156,039</u>

Total annual base rate case amortization	<u>\$ 156,039</u>
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JERSEY CENTRAL POWER & LIGHT COMPANY
Normalization Adjustment No. 18

Adjustment to remove advertising expenses relating to promotional,
institutional or civic memberships.

	Amount
Informational or instructional advertising	\$ 72,933
12 Months-ending June 2020 TY Expense	\$ 965,404
Adjustment to remove advertising expense	<u>\$ (892,471)</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Comparative Balance Sheet at
December 31, 2017, 2018 and 2019
ASSETS AND OTHER DEBITS

APPENDIX B
Page 1 of 2

FERC Account		2017	DECEMBER 31 2018	2019
	<u>UTILITY PLANT</u>			
101-106	Utility plant	6,487,200,762	6,841,472,584	7,147,126,493
107	Construction Work in Progress	187,195,788	182,155,357	243,841,527
	Total Utility Plant	6,674,396,550	7,023,627,941	7,390,968,020
108,111	Less Accumulated Provision for Depreciation	2,020,679,040	2,148,322,401	2,193,788,005
	Net Utility Plant	4,653,717,510	4,875,305,540	5,197,180,015
120.1 - 120.4 and 120.6	Nuclear Fuel			
120.5	Accum. Provision for Amortization			
	Net Nuclear Fuel			
	Net Utility Plant	4,653,717,510	4,875,305,540	5,197,180,015
	<u>OTHER PROPERTY AND INVESTMENTS</u>			
121	Nonutility Property	16,979,653	16,979,653	18,034,911
122	(Less) Accum. Prov. For Deprec. And Amort.	15,826,573	15,829,051	15,891,539
123	Investment in Associated Companies	-	-	-
123.1	Investment in Subsidiary Companies	899,110	897,102	892,666
124	Other Investments	1,809	1,791	1,048
128	Special Funds	238,470,050	229,140,287	256,101,540
175	Long-Term Portion of Derivative Assets	96,832	43,797	11,224
	Total Other Property and Investments	240,620,881	231,233,579	259,149,850
	<u>CURRENT AND ACCRUED ASSETS</u>			
131	Cash			
132-134	Special Deposits	251,203,661	255,897,586	269,941,752
135	Working Funds	1,025	1,025	1,300
136	Temporary Cash Investments	-	-	-
142	Customer Accounts Receivable	140,004,701	138,064,097	117,905,200
143	Other Accounts Receivable	24,235,954	34,248,612	32,681,347
144	(Less) Accum. Prov. For Uncollectible Accounts-Credit	4,516,190	4,436,362	3,968,306
145	Notes Receivable from Associated Companies	76,019,310	-	-
146	Accts. Receivable from Associated Companies	25,426,370	62,710,890	79,174,030
151	Fuel Stock	-	-	-
154	Plant Materials and Operating Supplies	-	-	-
165	Prepayments	24,718,681	26,386,710	25,368,289
171	Interest and Dividend Receivable	-	-	-
172	Rents Receivable	3,776,239	4,785,226	2,784,305
173	Accrued Utility Revenues	81,353,005	86,376,550	80,271,694
174	Miscellaneous Current and Accrued Assets	-	-	-
175	Derivative Instruments Assets	-	-	-
175	(Less) Long Term Portion of Derivative Instrument Assets	-	-	-
	Total Current and Accrued Assets	622,222,756	604,034,334	604,159,611
	<u>DEFERRED DEBITS</u>			
181	Unamortized Debt Expenses	6,058,777	5,101,815	7,038,741
182.1	Extraordinary Property Losses	-	-	-
182.2	Unrecovered Plant and Regulatory Study Costs	4,234,903	4,125,895	4,016,887
182.3	Other Regulatory Assets	495,789,462	779,264,940	685,875,416
183	Prelim. Survey and Investigation Charges	2,150,583	2,328,212	2,254,808
184	Clearing Accounts	92,064	149,166	191,011
185	Temporary Facilities	407,128	520,035	588,827
186	Miscellaneous Deferred Debits	1,815,631,330	1,814,479,673	1,815,752,095
188	Research, Devel. And Demonstration Expend.	48,170	41,466	42,510
189	Unamortized Loss on Reacquired Debt	7,390,722	5,593,655	4,519,534
190	Accumulated Deferred Income Taxes	1,024,928,555	952,319,382	946,426,983
	Total Deferred Debits	3,356,731,694	3,563,924,239	3,466,706,812
	<u>TOTAL ASSETS</u>	<u>8,873,292,841</u>	<u>9,274,497,692</u>	<u>9,527,196,288</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Comparative Balance Sheet at
December 31, 2017, 2018 and 2019
LIABILITIES AND OTHER CREDITS

APPENDIX B
Page 2 of 2

FERC Account		2017	DECEMBER 31 2018	2019
	<u>PROPRIETARY CAPITAL</u>			
201	Common Stock Issued	136,284,470	136,284,470	136,284,470
204	Preferred Stock Issued	-	-	-
207	Premium on Capital Stock	2,511,652,419	2,665,143,711	2,665,143,901
208-211	Other Paid-In Capital	40,953,128	46,295,786	51,334,517
215, 215.1, 216	Retained Earnings	501,961,546	671,510,121	715,180,021
216.1	Unappropriated Undistributed Subsidiary Earnings	(36,428)	(38,436)	(42,871)
219	Accumulated Other Comprehensive Income	(2,044,696)	(5,575,366)	(5,576,306)
	Total Proprietary Capital	<u>3,188,770,439</u>	<u>3,513,620,286</u>	<u>3,562,323,732</u>
	<u>LONG-TERM DEBT</u>			
221	Bonds			
223	Advances From Associated Companies			
224	Other Long-Term Debt	1,700,000,000	1,550,000,000	1,650,000,000
225	Unamortized Premium on Long-Term Debt	-	-	5,122,874
226	(Less) Unamortized Discount on Long-Term Debt	5,356,305	4,799,265	4,311,070
	Total Long-Term Debt	<u>1,694,643,695</u>	<u>1,545,200,735</u>	<u>1,650,811,804</u>
	<u>OTHER NON-CURRENT LIABILITIES</u>			
227	Obligations Under Capital Leases	8,053,404	7,687,074	73,448,851
228.2	Accumulated Provision for Injuries and Damages	5,286,625	4,773,214	4,556,331
228.3	Accumulated Provision for Pension and Benefits	445,815,952	227,999,377	249,527,392
	Long-Term Portion of Derivative Instrument Liabilities	-	-	-
230	Asset Retirement Obligation	124,452,131	172,830,642	180,982,559
	Total Noncurrent Liabilities	<u>583,608,112</u>	<u>413,290,307</u>	<u>508,515,133</u>
	<u>CURRENT AND ACCRUED LIABILITIES</u>			
231	Notes Payable	-	-	-
232	Accounts Payable	124,138,487	181,139,989	182,856,413
233	Notes Payable to Associated Companies	-	143,086,743	114,140,939
234	Accounts Payable to Associated Companies	3,709,730	4,958,531	4,819,842
235	Customer Deposits	45,850,825	46,891,725	48,508,305
236	Taxes Accrued	20,293,169	3,729,369	2,875,611
237	Interest Accrued	23,488,664	23,213,454	21,968,437
238	Dividends Declared	-	-	-
241	Tax Collections Payable	1,298,608	8,838,256	5,829,671
242	Misc Current and Accrued Liabilities	67,343,151	59,283,167	56,235,608
243	Obligations Under Capital Leases	334,345	392,405	8,221,544
244	Derivative Instrument Liabilities	-	-	-
	(Less) Long-Term Portion of Derivative Instruments-Hedges	-	-	-
	Total Current and Accrued Liabilities	<u>286,456,979</u>	<u>471,533,639</u>	<u>445,456,370</u>
	<u>DEFERRED CREDITS</u>			
252	Customer Advances for Construction	35,427,361	38,217,911	46,857,198
255	Accumulated Deferred Investment Tax Credits	1,917,347	1,786,148	1,654,949
253	Other Deferred Credits	529,427,454	557,458,644	579,126,337
254	Other Regulatory Liabilities	956,536,886	1,090,926,449	1,056,027,502
257	Unamortized Gain on Reacquired Debit	57,934	38,217	18,502
282	Accum. Deferred Income Taxes-Other Property	1,015,488,312	1,061,347,417	1,118,422,785
283	Accum. Deferred Income Taxes-Other	580,958,322	581,077,939	557,981,976
	Total Deferred Credits	<u>3,119,813,616</u>	<u>3,330,852,725</u>	<u>3,360,089,249</u>
	TOTAL LIABILITIES AND OTHER CREDITS	<u>8,873,292,841</u>	<u>9,274,497,692</u>	<u>9,527,196,288</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Comparative Income Statement at
For the Years 2017, 2018 and 2019

APPENDIX C

FERC Account	2017	DECEMBER 31 2018	2019
<u>UTILITY OPERATING INCOME</u>			
400 Operating Revenues	1,801,101,333	1,841,851,146	1,819,359,776
Operating Expenses:			
401 Operation Expenses	1,139,152,514	1,167,145,472	1,203,841,935
402 Maintenance Expenses	87,916,073	241,399,996	167,710,218
403 Depreciation Expenses	143,382,168	176,483,809	167,161,187
Depreciation Expenses for Asset Retirement Costs (403.1)	-	111,397	82,159
404-405 Amortization and Depl. Of Utility Plant	6,145,923	7,070,460	9,193,205
406 Amortization of Utility Plant Acq. Adjustment	-	-	-
407.3 Regulatory Debits	142,746,615	143,485,033	92,563,881
407.4 (Less) Regulatory Credits	34,145,524	250,587,370	74,050,578
408.1 Taxes Other Than Income Taxes	11,025,411	11,748,308	10,925,531
409.1 Income Taxes Federal	79,491,408	(55,417,639)	10,779,066
409.1 Other	1,948,427	(563,717)	(47,380)
410.1 Provision for Deferred Income Taxes	792,991,357	693,756,037	324,847,432
411.1 (Less) Provision for Deferred Income Taxes-Cr	796,402,219	570,415,918	311,601,610
411.4 Investment Tax Credit Adj.- Net	(131,199)	(131,199)	(131,199)
411.1 Accretion Expense	-	8,015,272	9,027,856
Total Utility Operating Expenses	1,574,120,954	1,572,099,941	1,610,301,703
NET UTILITY OPERATING INCOME	226,980,379	269,751,205	209,058,073
<u>OTHER INCOME AND DEDUCTIONS</u>			
Other Income:			
415 Revenues from Merchandising, Jobbing and Contract Work	2,586,248	5,452,426	626,213
416 (Less) Costs and Expenses of Merch., Job and Contract Work	2,238,663	5,457,474	1,005,794
417 Revenues from Nonutility Operations	-	-	-
417.1 (less) Expenses of Nonutility Operations	-	-	223
418 Nonoperating Rental Income	(2,945)	(3,178)	(3,498)
418.1 Equity in Earnings of Subsidiary Companies	7,690	11,291	15,818
419 Interest and Dividend Income	3,435,022	4,514,328	4,950,565
419.1 Allowance for Other Funds Used During Construction	8,839,677	1,377,486	7,369,721
421 Misc. Nonoperating Income	1,329,033	448,644	1,302,648
421.1 Gain on Disposition of Property	135,840	-	6,703,305
Total Other Income	14,091,902	6,343,523	19,958,755
Other Income Deductions:			
421.2 Loss on Disposition of Property	-	121,207	1,046,036
426.1 Donations	189,511	180,098	215,126
426.2 Life Insurance	(886,658)	94,695	(1,230,557)
426.3 Penalties	45,234	25,920	43,956
426.4 Exp. For Certain Civic, Political & Related Activities	52,166	67,267	56,844
426.5 Other Deductions	28,164,392	236,885	841,258
Total Other Income Deductions	27,564,645	726,072	972,663
Taxes Applicable to Other Income and Deductions:			
408.2 Taxes Other Than Income Taxes	-	-	-
409.2 Income Taxes - Federal	(6,483,614)	1,342,032	1,716,721
409.2 Income Taxes - Other	(1,888,072)	567,717	752,535
410.2 Provision for Deferred Income Taxes	213,020	162,118	2,063,291
411.2 (Less) Provision for Deferred Income Taxes - Cr.	774,405	116,732	169,181
411.5 Investment Tax Credit Adjustment - Net	-	-	-
Total Taxes on Other Income and Deductions	(8,933,071)	1,955,135	4,363,366
NET OTHER INCOME AND DEDUCTIONS	(4,539,672)	3,662,316	14,622,726
<u>INTEREST CHARGES</u>			
427 Interest on Long-Term Debt	100,939,056	90,992,663	82,769,722
428 Amort. Of Debt Disc and Expense	1,723,301	1,514,001	1,571,078
428.1 Amortization of Loss on Reacquired Debt	2,018,270	1,797,068	1,074,120
429 (Less) Amort. Of Premium on Debt-Credit	-	-	761,126
429.1 (Less) Amortization of Gain on reacquired Debt-Credit	19,716	19,716	19,716
430 Interest on Debt to Assoc. Companies	1,592,957	5,281,075	2,519,686
431 Other Interest Expense	5,488,432	7,432,257	7,671,938
432 (Less) Allowance for Borrowed Funds Used During Construction-Cr	4,424,505	3,340,778	4,810,368
Net Interest Charges	107,317,795	103,656,570	90,015,334
Income Before Extraordinary Items			
NET INCOME	115,122,912	169,756,951	133,665,465

JERSEY CENTRAL POWER & LIGHT COMPANY
Comparative Balance Sheet at
December 31, 2019
ASSETS AND OTHER DEBITS

APPENDIX D
Page 1 of 2

FERC Account	December 31, 2019
<u>UTILITY PLANT</u>	
101-106 Utility plant	7,147,126,493
107 Construction Work in Progress	243,841,527
Total Utility Plant	7,390,968,020
108,111 Less Accumulated Provision for Depreciation	2,193,788,005
Net Utility Plant	5,197,180,015
120.1 -	
120.4 and	
120.6 Nuclear Fuel	
120.5 Accum. Provision for Amortization	0
Net Nuclear Fuel	
Net Utility Plant	5,197,180,015
<u>OTHER PROPERTY AND INVESTMENTS</u>	
121 Nonutility Property	18,034,911
122 (Less) Accum. Prov. For Deprec. And Amort.	15,891,539
123 Investment in Associated Companies	-
123.1 Investment in Subsidiary companies	892,666
124 Other Investments	1,048
125-128 Special Funds	256,101,540
175 Long-Term Portion of Derivative Assets	11,224
Total Other Property and Investments	259,149,850
<u>CURRENT AND ACCRUED ASSETS</u>	
131 Cash	
132-134 Special Deposits	269,941,752
135 Working Funds	1,300
136 Temporary Cash Investments	
142 Customer Accounts Receivable	117,905,200
143 Other Accounts Receivable	32,681,347
144 (Less) Accum. Prov. For Uncollectible Accounts	3,968,306
145 Notes Receivable from Associated Companies	-
146 Accts. Receivable from Associated companies	79,174,030
151 Fuel Stock	-
154 Plant Materials and Operating Supplies	-
165 Prepayments	25,368,289
171 Interest and Dividend Receivable	-
172 Rents Receivable	2,784,305
173 Accrued Utility Revenues	80,271,694
174 Miscellaneous Current and Accrued Assets	-
175 Derivative Instruments Assets	11,224
175 (Less) Long Term Portion of Derivative Instrument Assets	11,224
Total Current and Accrued Assets	604,159,611
<u>DEFERRED DEBITS</u>	
181 Unamortized Debt Expenses	7,038,741
182.1 Extraordinary Property Losses	-
182.2 Unrecovered Plant and Study Costs	4,016,887
182.3 Other Regulatory Assets	685,875,416
183 Prelim. Survey and Investigation Charges	2,254,808
184 Clearing Accounts	191,011
185 Temporary Facilities	588,827
186 Miscellaneous Deferred Debits	1,815,752,095
188 Research, Devel. And Demonstration Expend.	42,510
189 Unamortized Loss on Reacquired Debt	4,519,534
190 Accumulated Deferred Income Taxes	946,426,983
Total Deferred Debits	3,466,706,812
TOTAL ASSETS	9,527,196,288

JERSEY CENTRAL POWER & LIGHT COMPANY
Comparative Balance Sheet at
December 31, 2019
LIABILITIES AND OTHER CREDITS

APPENDIX D
Page 2 of 2

FERC Account		December 31, 2019
	<u>PROPRIETARY CAPITAL</u>	
201	Common Stock	136,284,470
204	Preferred Stock Issued	
207	Premium on Capital Stock	2,665,143,901
208-211	Other Paid-In Capital	51,334,517
215, 215.1, 216	Retained Earnings	715,180,021
216.1	Unappropriated Undistributed Subsidiary Earnings	(42,871)
219	Accumulated Other Comprehensive Income	(5,576,306)
	Total Proprietary Capital	<u>3,562,323,732</u>
	<u>LONG-TERM DEBT</u>	
221	Bonds	
223	Advances From Associated Companies	
224	Other Long-Term Debt	1,650,000,000
225	Unamortized Premium on Long-Term Debt	5,122,874
226	(Less) Unamortized Discount on Long-Term Debt	4,311,070
	Total Long-Term Debt	<u>1,650,811,804</u>
	<u>OTHER NON-CURRENT LIABILITIES</u>	
227	Obligations Under Capital Leases	73,448,851
228.2	Accumulated Provision for Injuries and Damages	4,556,331
228.3	Accumulated Provision for Pension and Benefits	249,527,392
	Long-Term Portion of Derivative Instrument Liabilities	-
230	Asset Retirement Obligation	180,982,559
	Total Noncurrent Liabilities	<u>508,515,133</u>
	<u>CURRENT AND ACCRUED LIABILITIES</u>	
231	Notes Payable	-
232	Accounts Payable	182,856,413
233	Notes Payable to Associated Companies	114,140,939
234	Accounts Payable to Associated Companies	4,819,842
235	Customer Deposits	48,508,305
236	Taxes Accrued	2,875,611
237	Interest Accrued	21,968,437
238	Dividends Declared	-
241	Tax Collections Payable	5,829,671
242	Misc Current and Accrued Liabilities	56,235,608
243	Obligations Under Capital Leases	8,221,544
244	Derivative Instrument Liabilities	-
	(Less) Long-Term Portion of Derivative Instruments-Hedges	-
	Total Current and Accrued Liabilities	<u>445,456,370</u>
	<u>DEFERRED CREDITS</u>	
252	Customer Advances for Construction	46,857,198
255	Accumulated Deferred Investment Tax Credits	1,654,949
253	Other Deferred Credits	579,126,337
254	Other Regulatory Liabilities	1,056,027,502
257	Unamortized Gain on Reacquired Debit	18,502
282	Accum. Deferred Income Taxes-Other Property	1,118,422,785
283	Accum. Deferred Income Taxes-Other	557,981,976
	Total Deferred Credits	<u>3,360,089,249</u>
	<u>TOTAL LIABILITIES AND OTHER CREDITS</u>	<u>9,527,196,288</u>

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Appendix E

JERSEY CENTRAL POWER & LIGHT COMPANY

Statement of the Amount of Total Revenue Derived in Calendar Year 2019 From Intrastate Sales and Services at Current Rates

Line #	Description	FERC Form-1 Page	FERC Form-1 Line	2019
1	Total Electric Operating Revenues	300	27	\$ 1,819,359,776
2	Exclude: Contra Revenue Amounts in FERC 445	300	7	\$ (17,550,063)
3	Revised Total Electric Operating Revenues			\$ 1,836,909,839
4	Exclude: Sales for Resale Revenues	300	11	\$ 28,262,917
5	Revised Total Electric Operating Revenues			\$ 1,808,646,922
6	Total Add Back: Intrastate Sales for Resales			\$ 3,648,201
7	Total Intrastate Revenues			\$ 1,812,295,123

JERSEY CENTRAL POWER & LIGHT COMPANY
Transactions with Associated (Affiliated) Companies
For the 12 Months Ended December 31, 2019

APPENDIX G

DESCRIPTION OF SERVICE	NAME OF AFFILIATED COMPANY	AMOUNT
Provide Chairman of the Board Support	First Energy Service Co	761
Provide Chief Executive Officer Support	First Energy Service Co	308,124
Provide President, FE Utilities Support	First Energy Service Co	743,835
Provide Transmission, Distribution Support	First Energy Service Co	33,295,770
Provide Utility Operations Support	First Energy Service Co	769,787
Provide Compliance & Regulatory Services Support	First Energy Service Co	2,179,986
Provide Customer Service Support	First Energy Service Co	15,400,779
Provide Energy Efficiency Support	First Energy Service Co	502,130
Provide Environmental Support	First Energy Service Co	1,018,101
Provide Chief Financial Officer Support	First Energy Service Co	191,944
Provide Corporate Services & Chief Information Officer Support	First Energy Service Co	21,710,772
Provide Supply Chain Support	First Energy Service Co	676,418
Provide Accounting Support	First Energy Service Co	8,062,966
Provide Treasury Support	First Energy Service Co	385,783
Provide Business Development Support	First Energy Service Co	484,032
Provide Integrated System Planning Support	First Energy Service Co	465,509
Provide Corporate Risk Support	First Energy Service Co	585,370
Provide Internal Audit Support	First Energy Service Co	514,938
Provide Legal Department Support	First Energy Service Co	4,557,874
Provide Rates & Regulatory Affairs Support	First Energy Service Co	1,610,666
Provide Corp/Real Estate Record Management Support	First Energy Service Co	3,730,071
Provide Corporate Affairs Support	First Energy Service Co	1,234,654
Provide External Affairs & Communication Support	First Energy Service Co	3,124,901
Provide Federal Affairs & Energy Policy Support	First Energy Service Co	242,936
Provide Local Affairs & Economic Development Support	First Energy Service Co	189,294
Provide State Affairs Support	First Energy Service Co	375,348
Provide Human Resource Support	First Energy Service Co	7,396,700
Provide Marketing & Branding Support	First Energy Service Co	1,468,609
Provide Generation Related Support	First Energy Service Co	2,770,776
Inventory Carrying Charges on Service Company Assets	First Energy Service Co	1,142,008
Interest Expense - Regulated Money Pool	First Energy Corp	2,519,684
Rent - Wadsworth Facility	American Transmission Systems Inc	500,927
Rent - Akron Control Facility	American Transmission Systems Inc	1,097,732
Rent - Pottsville Pike	Metropolitan Edison Company	749,709
Rent - Farimont Call Center	Monongahela Power Company	543,336
Rent - Greensburg Corporate Center	West Penn Power Company	808,512
Transmission Charge - TMI Unit 1	Mid-Atlantic Interstate Transmission, LLC	1,998,563
Transmission Investment - Power Pool Agreement	Mid-Atlantic Interstate Transmission, LLC	1,762,524
TMI Charges for Miscellaneous General and		
Outside Services	GPU Nuclear, Inc	2,038,527
TOTAL		127,160,359

ACCOMMODATION OR CONVENIENCE PAYMENTS:

2019

Purchased Power	First Energy Service Co	940,856,879
Interest	First Energy Service Co	81,087,336
Taxes	First Energy Service Co	122,783,237
Outside Contractors	First Energy Service Co	40,113,847
Employee Benefits	First Energy Service Co	37,891,799
Customer Expenses	First Energy Service Co	40,147,508
NJ Agent Payments	First Energy Service Co	64,388,463
Inventory/Equipment Costs	First Energy Service Co	8,098,657
Lease Costs	First Energy Service Co	6,100,159
Other Convenience Payments*	First Energy Service Co	284,964,205
TOTAL		1,626,432,090