

A FirstEnergy Company

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August 9, 2022

TO: Each Municipal Clerk and County Executive or Administrator of the Municipalities and Counties of New Jersey Served by Jersey Central Power & Light Company

Re: IN THE MATTER OF THE PROVISION OF BASIC GENERATION SERVICE ("BGS") FOR THE PERIOD BEGINNING JUNE 1, 2023

BPU Docket No. ER22030127

Dear Sir/Madam:

Enclosed please find a copy of a Notice of Public Hearing for Jersey Central Power & Light Company's ("JCP&L" or the "Company") Verified Petition seeking the Board's approval of the procurement of BGS supply through a statewide competitive auction process, with new BGS charges to become effective June 1, 2023.

PLEASE TAKE NOTICE that the New Jersey Board of Public Utilities ("Board") has scheduled virtual public hearings on this matter at the times set forth in the enclosed Public Notice.

A copy of the Company's Verified Petition, together with supporting attachments, is available for review on JCP&L's website at:

https://www.firstenergycorp.com/jersey_central_power_light/regulatory.html

JCP&L would be pleased to furnish you with any assistance or additional information that you might reasonably require.

Very truly yours In R. Gu

Josh R. Eckert Counsel for Jersey Central Power & Light Company

NOTICE TO THE CUSTOMERS OF JERSEY CENTRAL POWER & LIGHT COMPANY

Notice of a Filing and Notice of Public Hearings

IN THE MATTER OF THE PROVISION OF BASIC GENERATION SERVICE ("BGS") FOR THE PERIOD BEGINNING JUNE 1, 2023 BPU Docket No. ER22030127

PLEASE TAKE NOTICE that on July 1, 2022, Jersey Central Power & Light Company ("JCP&L" or "Company") filed a proposal [Annual Proposal for Basic Generation Service ("BGS") Requirements to be Procured Effective June 1, 2023] with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of the procurement of BGS supply through a statewide competitive auction process, with new BGS charges to become effective June 1, 2023 ("Petition"). BGS is the electric generation supply provided to all JCP&L customers who do not procure their electric supply requirements from a third-party supplier.

The Board mandates that the New Jersey Electric Distribution Companies ("EDCs"), including JCP&L, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act, *N.J.S.A.* 48:3-49, *et seq.* ("Act"). BGS is currently procured through a statewide competitive auction process in which all the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and found that this auction process meets the statutory requirements of the Act. The Company's Petition is available at <u>http://www.bgs-auction.com/bgs.auction.regproc.asp</u>.

The final price for Basic Generation Service – Residential Small and Commercial Pricing ("BGS-RSCP") supply resulting from the BGS-RSCP auction conducted in 2022 was \$0.0775 cents per kilowatt-hour, for a 36-month supply period. This final price was blended with the prices procured for the previous two auctions to develop the BGS-RSCP rate paid by BGS-RSCP customers beginning June 1, 2022. For the Basic Generation Service – Commercial and Industrial Energy Pricing ("BGS-CIEP") auction conducted in 2022, the Generation Capacity Charge cleared at \$254.80 per MW-day.

The final prices for the BGS supply procured in the 2023 BGS-RSCP and BGS-CIEP auctions may be higher or lower than the auction clearing prices obtained in the 2022 auction. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auctions, consistent with market conditions. BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in the Federal Energy Regulatory Commission approved transmission charges.

Customer classes eligible to be served under the BGS-RSCP rate include customers served under JCP&L's distribution rate schedules RS, RT, RGT, OL, SVL, MVL, ISL and LED, and customers served under JCP&L's distribution rate schedules GS and GST with a peak load share of less than 500 kW. JCP&L customers served under distribution rate schedules GS and GST with a peak load share of 500 kW or greater, and JCP&L customers served under distribution rate schedules GP and GT, are only eligible to be served under the BGS-CIEP rate.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, a virtual public hearing will be conducted on the following date and time so that members of the public may present their views on the Petition

Date: September 1, 2022, 4:30 and 5:30 PM Link: https://fecorp.co/PH-9-1-22 Dial-In Number: 1-878-787-7704 Phone Conference ID: 470 506 008 Meeting ID: 264 844 591 698 Passcode: hsFDFw

Representatives of the Company, Board's Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearing. Members of the public are invited to participate by utilizing the link or dial-in information set forth above and may express their views on this filing. All comments will be made part of the final record of the proceeding to be considered by the Board. In order 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 <u>board.secretary@bpu.nj.gov</u>.

The Board is also accepting written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board's <u>Public Document Search</u> tool. Search for the docket number listed above, and post by utilizing the "Post Comments" button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to <u>board.secretary@bpu.nj.gov</u>.

Written comments may be submitted to the Acting Board Secretary, Carmen D. Diaz, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All emailed or mailed comments should include the name of the Petition and the docket number.

All comments are considered "public documents" for purposes of the State's Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on September 15, 2022, beginning at 10:00 AM, regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs' BGS proposal shortly thereafter. The Board's Agenda Meeting schedules can be found at <u>nj.gov/bpu</u>.