

# NOTICE TO THE CUSTOMERS OF JERSEY CENTRAL POWER & LIGHT COMPANY

## Notice of a Filing and Notice of Public Hearings

**In the Matter of the 2020/2021 Annual Compliance Filings for a Change in the Statewide Electric and Gas Permanent Universal Service Fund Program Factors within the Electric and Gas Societal Benefits Charges Rates Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1  
BPU Docket No. ER20060392**

**TAKE NOTICE** that, on June 25, 2020, Jersey Central Power & Light Company (“JCP&L”) made a compliance filing with the New Jersey Board of Public Utilities (“Board”) providing supporting documentation for changes in the Universal Service Fund (“USF”) and Lifeline components of the electric Societal Benefits Charges (“SBC”). This requested change in electric USF/Lifeline components is made pursuant to Board Orders, and includes the recovery of funding for the USF Program through uniform statewide rates.

The USF Program was established by the Board in 2003, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq, (“EDECA”), to assist qualifying low-income individuals in paying their energy bills. The State of New Jersey’s Department of Community Affairs (“DCA”) is the Administrator of the USF Program, and the New Jersey Department of Human Services (“DHS”) is the Administrator of the Lifeline programs. DCA and DHS authorize the disbursement of benefits to eligible customers in the respective programs.

Based upon the results and available estimates known to date for the 2019/2020 USF program year, and the available estimates known to date for the 2020/2021 USF Program year, it is anticipated that the statewide USF rates will collect \$125.6 million, of which, \$100.2 million would be recovered through electric rates with the remaining \$25.4 million recovered through gas rates on a statewide basis. The Lifeline rates are anticipated to collect \$74.6 million, of which, \$50.0 million would be recovered through electric rates with the remaining \$24.6 million recovered through gas rates on a statewide basis.

The Board in its June 22, 2005 Universal Service Fund Order directed that the filing requirements for rate setting, including notice of filing, notice of public hearings, and tariffs, should be made by July 1, 2006, and each year thereafter. In accordance with that Order, JCP&L made a filing with the Board on June 25, 2020, requesting to change its current USF/Lifeline program charges, as described below, to become effective on October 1, 2020.

The proposed statewide charges for electric customers are as follows:

### Universal Service/Lifeline Fund Components of Societal Benefits Charge

	Present	Present (Includes Sales and Use Tax)	Proposed	Proposed (Includes Sales and Use Tax)
USF-Electric per kWh	\$0.001249	\$0.001332	\$0.001428	\$0.001523
Lifeline-Electric per kWh	\$0.000708	\$0.000755	\$0.000712	\$0.000759

The above requests will not result in any profit to JCP&L. The revenues received under the proposed USF and Lifeline program factors are designed to permit JCP&L to recover its costs associated with these programs only. Actual program costs will be reconciled with the revenues received through the USF and Lifeline program charges in the next scheduled annual USF and Lifeline compliance filing to be made on or before July 1, 2021.

If approved by the Board, the effect of the proposed changes in the electric USF/Lifeline Program charges on a typical residential electric bill is illustrated below:

### Impact of Proposed USF and Lifeline Charges On Typical Residential Electric Bills

Monthly kWh Usage	Annual kWh Usage	Present Annual Bill (1)	Proposed Annual Bill (2)	Proposed Annual Decrease	Proposed % Decrease
500	6,000	\$ 792.80	\$793.97	\$1.17	0.15%
1,000	12,000	\$1,638.43	\$1,640.77	\$2.34	0.14%
1,500	18,000	\$2,505.59	\$2,509.10	\$3.51	0.14%

(1) Based on Residential Full Service (RS) rates in effect July 1, 2020

(2) Based on Residential Full Service (RS) rates in effect July 1, 2020 with proposed changes

As set forth above, based upon JCP&L’s June 25, 2020 filing, a typical residential electric customer using 500 kilowatt hours per month, and 6,000 kilowatt hours on an annual basis, would see an increase in their annual bill from \$792.80 to \$793.97, or \$1.17 or approximately 0.15%.

Actual results regarding USF expenditures and recoveries could be significantly affected by program changes, participation rates, and/or sales volumes.

The Board has the statutory authority to establish the USF Rates and Lifeline Rates at levels it finds just and reasonable. Therefore, the Board may establish the USF Rates and Lifeline Rates at levels other than those proposed by JCP&L’s June 25, 2020 filing. As a result, the above described charges may increase or decrease based upon the Board’s decision.

The 2020 USF/Lifeline Petition was filed with the Board and a copy was also served upon the New Jersey Division of Rate Counsel (“Rate Counsel”). Copies of this USF/Lifeline Petition and supporting attachments are available on JCP&L’s website at: [https://www.firstenergycorp.com/jersey\\_central\\_power\\_light/regulatory.html](https://www.firstenergycorp.com/jersey_central_power_light/regulatory.html).

**PLEASE TAKE FURTHER NOTICE** that due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and times so that members of the public may present their views on the Company’s filing”.

The following date and time(s) for telephonic public hearing(s)

**August 28, 2020, Public Hearing 1: 1:00 P.M., Public Hearing 2: 4:00 P.M., Dial In: 877-332-6631, Access Code: 2853961#**

A hearing officer designated by the Board will preside over the telephonic public hearing. Representatives of the Company, Board’s Staff, and Rate Counsel will also participate via phone in the public hearing. Members of the public are invited to listen and participate, by phone via the above designated dial-in number and Access Code, and may express their views on this Filing. Any comments made will be 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 comments, please submit any requests for needed accommodations, such as interpreters or listening devices, 48 hours prior to the above hearings to the Board’s Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). The Board is also accepting written and/or emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. Email comments should be submitted to: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). Please include the name of the petitioner and the docket number when submitting comments.