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December 27, 2016

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue, Suite 314
P.O. Box 350
Trenton, NJ 08625

Re: **In the Matter of the Verified Petition of Jersey Central Power & Light Company (“JCP&L”) Seeking (1) Review and Approval of Its Deferred Balances Relating to, and an Adjustment of, the Societal Benefits Charge Clause of Its Filed Tariff; & (2) Review and Approval of Its Deferred Balance Relating to the System Control Charge Clause of Its Filed Tariff (“2015 SBC/SCC Filing”)**

BPU Docket No. _____

Dear Secretary Asbury:

On behalf of the Petitioner, Jersey Central Power & Light Company (“JCP&L” or the “Company”), enclosed herewith for filing with the Board of Public Utilities (the “Board”) are the original and 11 copies of JCP&L’s Verified Petition and supporting Attachments in the above-captioned matter relating to the Societal Benefits Charge (“SBC”) clause and the System Control Charge (“SCC”) clause of JCP&L’s filed Tariff.

As noted in the Verified Petition (at ¶3), the purpose of this filing is to provide for: (1) a review and approval of the deferred amounts included in the Company’s Demand Side Factor (“DSF”), Uncollectible Accounts Charge (“UNC”) and Nuclear Decommissioning Costs (“NDC”) components of the Company’s SBC to the extent accumulated from January 1, 2015 through December 31, 2015 (the “2015 SBC Period”); and (2) a review and approval of the deferred amounts included in the Company’s SCC to the extent accumulated from January 1, 2015 through December 31, 2015 (the “2015 SCC Period”). For the reasons discussed in Paragraphs 17, 21 and

Irene Kim Asbury, Secretary

December 27, 2016

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22 of the Petition, the Company is not seeking a change in its Rider DSF, Rider UNC, or Rider NDC charges at this time nor, for the reasons discussed in Paragraph 23, its Rider SCC charge, which is currently set at zero.

I hereby confirm that copies of this letter and the enclosed Verified Petition and supporting Attachments are this day being duly served by hand delivery or overnight express delivery upon the Director, Division of Rate Counsel, and upon the Department of Law & Public Safety, Division of Law, as set forth in ¶27 of the Verified Petition. Copies of all such documents are also being transmitted by hand delivery, overnight express delivery or regular United States mail to the balance of the persons named in the attached Service List for this proceeding.

Kindly stamp the enclosed additional copy of this filing letter with the date and time of receipt by your office and with the docket number assigned thereto, and return to the undersigned in the self-addressed postage paid return envelope provided.

Your anticipated courtesies and cooperation are deeply appreciated.

Respectfully submitted,



Gregory Eisenstark

Enclosures

cc: Service List (w/enclosure – by Hand Delivery, UPS or regular mail)

**In the Matter of the Verified Petition of Jersey Central Power & Light Company (“JCP&L”)
Seeking (1) Review and Approval of Its Deferred Balances Relating to, and an Adjustment of, the
Societal Benefits Charge Clause of Its Filed Tariff; & (2) Review and Approval of Its Deferred Balance
Relating to the System Control Charge Clause of Its Filed Tariff
 (“2015 SBC/SCC Filing”)
Docket No. _____**

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JCP&L

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

In the Matter of the Verified Petition of **Jersey
Central Power & Light Company** Seeking (1)
Review and Approval of Its Deferred Balances
Relating to, and an Adjustment of, the Societal
Benefits Charge Clause of Its Filed Tariff; and
(2) Review and Approval of Its Deferred Balance
Relating to the System Control Charge Clause of
Its Filed Tariff (“**2015 SBC/SCC Filing**”)

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VERIFIED PETITION

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

Petitioner, Jersey Central Power & Light Company (the “Petitioner”, the “Company” or “JCP&L”), an electric public utility company of the State of New Jersey subject to the regulatory jurisdiction of the Board of Public Utilities (the “Board”), and maintaining offices at 300 Madison Avenue, Morristown, New Jersey 07962-1911, in support of its above-captioned Verified Petition, respectfully shows:

1. JCP&L is a New Jersey electric public utility primarily engaged in the purchase, transmission, distribution and sale of electric energy and related utility services to more than 1,000,000 residential, commercial and industrial customers located within 13 counties and 236 municipalities of the State of New Jersey.

2. Copies of all correspondence and other communications relating to this proceeding should be addressed to:

**Gregory Eisenstark, Esq.
Windels Marx Lane & Mittendorf, LLP
120 Albany Street Plaza
New Brunswick, New Jersey 08901**

- and -

**Mark A. Mader
Sally J. Cheong
James O'Toole
Jersey Central Power & Light Company
300 Madison Avenue
Morristown, New Jersey 07962-1911**

-and-

**Carol Pittavino
FirstEnergy Service Company
800 Cabin Hill Drive
Greensburg, PA 15601**

- and -

**Lauren Lepkoski, Esq.
First Energy Service Company
Legal Department
2800 Pottsville Pike
Reading, PA 19612-6001**

Purpose of Filing

3. The purpose of this filing is to provide for a review by the Board, the Board's Staff ("Staff"), and the Division of Rate Counsel ("Rate Counsel"), and approval by the Board, of the deferred balances accumulated with respect to the Demand Side Factor ("DSF"), Uncollectible Accounts Charge ("UNC") and Nuclear Decommissioning Costs ("NDC") components of the Company's Societal Benefits Charge ("SBC"), in each case to the extent accumulated from January 1, 2015 through December 31, 2015. This filing also provides for a review and approval of the deferred balance accumulated with respect to the Company's System Control Charge ("SCC") clause at December 31, 2015.

4. For the reasons discussed in Paragraphs 17, 20, 21 and 22 below, JCP&L is not requesting a change in its Rider DSF, Rider UNC, or Rider NDC charges at this time. In addition, for the reasons discussed in Paragraph 23 below, JCP&L is not seeking any adjustment to the current level of its Rider SCC charge, which is currently set at zero.

Procedural History

5. Pursuant to the Board's Final Order dated May 17, 2004 ("Deferred Balances Order") issued in connection with JCP&L's "2002 Deferred Balances Petition" in Docket No. ER02080507, together with the Board's Order dated June 8, 2006 in Docket Nos. EX02060363 and EA02060365 with respect to the Phase II Audit of JCP&L's Deferred Balances ("Phase II Audit Order"), all issues relating the CED, DSF, UNC and NDC deferred balances through July 31, 2003, i.e., the end of the restructuring Transition Period, were determined and resolved. In particular, in the Phase II Audit Order (at 8-9), the Board formally accepted the associated Audit Report of Mitchell & Titus LLP, which found that JCP&L had complied, in all material respects, with relevant Board Orders regarding its deferred balances, with no findings of imprudence noted. In addition, in accordance with the Deferred Balances Order, through December 31, 2011, all over-recoveries in any components of the SBC were netted annually against the Company's under-recovered balances in other SBC components and/or against the Non-Utility Generation Charge ("NGC") deferred balance.

6. On December 2, 2005, the Company filed its "2005 NGC Filing" in Docket No. ER05121018 seeking review of its NGC deferred balance for the period from August 1, 2003 through December 31, 2005 and approval of an adjustment to the level of its NGC. This proceeding was settled and resolved in a Stipulation of Settlement dated November 8, 2006 by and

among JCP&L, Board Staff and Rate Counsel, which Stipulation of Settlement was approved by Board Order dated December 6, 2006 (“2006 NGC Order”). In the 2006 NGC Order (at 5, ¶10), the Board directed that:

To the extent not covered by other filings with the Board (as is currently the case with Riders USF and RAC), the Company will make annual filings with the Board, with notice to Rate Counsel, with respect to each component of its Societal Benefits Charge in the last quarter of each year, commencing in 2007. Any forecasted data included in such filings for the last months of the year in question will be updated with actual figures during the course of each proceeding.

7. In accordance with the above Board directive, insofar as it relates to the CED, DSF, UNC and NDC components of the SBC, the Company submitted its 2007 SBC/SCC Filing on December 21, 2007 covering the period from August 1, 2003 through December 31, 2007, which was assigned to Docket No. ER07120968, and submitted its 2008 SBC/SCC Filing on March 13, 2009, which was assigned to Docket No. ER09030202.

8. On February 19, 2010, JCP&L filed with the Board a Verified Petition, including supporting schedules, under Docket No. ER10020130 (“2009 SBC/SCC and RAC Filing”), seeking (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the SBC clause of its filed Tariff, (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff, and (3) review and approval of costs incurred for environmental remediation of manufactured gas plant sites pursuant to the Remediation Adjustment Clause (“RAC”) of its filed Tariff and the imposition, for the first time, of a RAC charge.

9. A Stipulation of Settlement dated June 2, 2011, which was approved by Board Order dated June 15, 2011 in Docket Nos. ER07120968, ER09030202, and ER10020130, resolved various elements of the Company’s 2007 SBC/SCC Filing, 2008 SBC/SCC Filing, and

2009 SBC/SCC and RAC Filing. Pursuant to the Board Order dated June 15, 2011, effective July 1, 2011, JCP&L reduced its Rider CED charge to zero, which reduced CED rates by approximately \$6.2 million annually; (ii) reduced its Rider NDC charge to zero, which reduced NDC rates by approximately \$22.0 million annually; (iii) increased its Rider DSF charges to recover an additional approximately \$19.9 million annually; and (iv) increased its Rider UNC charge to recover an additional approximately \$5.7 million annually. The net effect of these changes was to reduce the SBC (exclusive of the RAC) by approximately \$2.6 million annually and to eliminate Rider CED, effective July 1, 2011.

10. On July 22, 2011, JCP&L filed with the Board a Verified Petition, including supporting schedules, under Docket No. ER11070439 ("2010 SBC/SCC Filing"), seeking (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the SBC clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff. The Petition did not propose any changes to the Company's SBC or SCC rates.

11. On August 15, 2012, JCP&L filed with the Board a Verified Petition, including supporting schedules, under Docket No. ER12080756 ("2011 SBC/SCC Filing"), seeking (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the SBC clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff. The 2011 SBC/SCC Filing proposed an increase in the Company's Rider DSF rate to recover an additional \$14.6 million on an annual basis. The 2011 SBC/SCC Petition also proposed an increase in the Company's Rider UNC rate to recover an additional \$997,000 on an annual basis. The 2011 Petition did not propose any change to the Company's SCC rates.

12. A Stipulation of Settlement dated July 14, 2014, which was approved by Board Order dated August 20, 2014 in Docket Nos. ER10020130, ER11070439, and ER12080756, resolved the 2009 SCC filing, as well as the 2010 and 2011 SBC/SCC filings (“August 20, 2014 Order”). Pursuant to the Board’s August 20, 2014 Order, effective September 1, 2014, JCP&L: (i) increased its Rider DSF rate by approximately \$14.6 million on an annual basis; (ii) increased its Rider UNC rate by approximately \$997,000 on an annual basis; (iii) left its Rider NDC rate at zero; and (iv) left its Rider SCC rate at the same level. The net effect of these changes was to increase the SBC (exclusive of the RAC) by approximately \$15.6 million annually.

13. On March 26, 2015, JCP&L filed with the Board a Verified Petition, including supporting schedules, under Docket No. ER15030382 ("2012-2013-2014 SBC/SCC Filing"), seeking (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the Societal Benefits Charge (“SBC”) clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the System Control Charge (“SCC”) clause of its filed Tariff, in each case to the extent accumulated from January 1, 2012 through December 31, 2014. The 2012-2013-2014 SBC/SCC Filing proposed an increase in the Company’s Rider DSF rate to recover an additional \$17.24 million on an annual basis. The 2012-2013-2014 SBC/SCC Filing also proposed a decrease in the Company’s Rider UNC rate of \$4.26 million on an annual basis. The 2012-2013-2014 SBC/SCC Filing did not propose any change to the Company’s Rider SCC rate or Rider NDC rate. As a result of the foregoing changes, the Company proposed an overall net increase in rates of approximately \$12.98 million annually, with a proposed rate effective date of July 1, 2015. The 2012-2013-2014 SBC/SCC Filing remains pending before the Board.

14. In regard to the SCC, pursuant to a Stipulation of Settlement entered into in July 2008, which was approved by Board Order dated July 25, 2008 in Docket No. ER07060375 and related to, among other things, JCP&L's implementation of a pilot Integrated Distributed Energy Resource (IDER) management program, the Company agreed to make a filing for review of Rider SCC costs contemporaneously with its next Rider SBC filing. In furtherance of that agreement, the Rider SCC aspects are included in this 2012-2013-2014 SBC/SCC Filing, although, as noted above, the Company is not seeking an adjustment of its Rider SCC charge in connection with this filing. In addition, pursuant to the Board's June 15, 2011 Order in Docket No. ER10010034, JCP&L transferred cost recovery for the IDER pilot program from the SCC to Rider RRC (the "RGGI Recovery Charge") effective July 1, 2011.

15. Also in regard to the SCC, the August 20, 2014 Order approved a provision in the July 14, 2014 Stipulation of Settlement in which the Parties agreed that it is appropriate for JCP&L to continue to apply the over collections in Rider SCC, if any, to Rider RRC – RGGI Recovery Charge ("Rider RRC") until such time as the Rider RRC rate is reset pursuant to a BPU Order, at which time the Rider SCC rate will then be reset to zero. Effective September 1, 2016, the Company's Rider RRC rate was reset pursuant to the Board's August 24, 2016 Order in Docket Nos. ER14080869 and ER15090995, and the Rider SCC rate was reset to zero.

SBC Components

Rider NDC

16. As noted above, pursuant to the Deferred Balances Order and the Phase II Audit Order, all amounts included in the NDC component of the Company's deferred balances through July 31, 2003 have already been addressed and resolved. Pursuant to the Board's June 15, 2011 Order, all amounts included in the NDC component of the Company's deferred balances

through December 31, 2009 have been fully-resolved. Pursuant to the Board's August 20, 2014 Order, all amounts included in the NDC component of the Company's deferred balances through December 31, 2011 have been fully-resolved, and Rider NDC is currently set at zero. Pursuant to the Board-approved Stipulation of Settlement, JCP&L has agreed to include Rider NDC information in its annual SBC filings, although the Company is not seeking an adjustment to the level of its Rider NDC charge in this filing.

17. A full updated decommissioning study for Three Mile Island Unit 2 ("TMI-2") was completed in February 2015 and was provided in response to discovery in the 2012-2013-2014 SBC/SCC Filing. The TMI-2 decommissioning has been postponed until 2034, so as to coincide with the expiration of the operating license for Three Mile Island Unit 1. The Company currently estimates, based on the 2015 study and estimated escalation and fund earnings rates, that at this time an increase in the Rider NDC rate to collect an additional \$3.97 million annually would be required to fund its share of TMI-2 decommissioning costs. *See* Attachment A-3 of this Petition. However, rather than implement a relatively small increase, the Company is proposing to leave the Rider NDC rate at zero at this time. The Company will retain Rider NDC as part of its filed Tariff (without any current charge thereunder) in the event that in the future actual results vary from the assumptions or there is a change in assumptions.

Riders DSF and UNC

18. As noted above, pursuant to the Deferred Balances Order, the Phase II Audit Order, the Board's June 15, 2011 Order, and the Board's August 20, 2014 Order, all amounts included in the DSF and UNC components of the Company's deferred balances through December 31, 2011 have already been addressed and resolved. Moreover, JCP&L is unaware of any substantive issues with respect to the DSF and UNC clauses.

19. As set forth in greater detail in certain of the Attachments to this 2015 SBC/SCC Filing (see, particularly, Attachments A-1, A-2, B-1, B-2, and C), the total incremental under-recovered DSF component of the Company's deferred balances, accumulated from January 1, 2015 through December 31, 2015, amounts to \$16,558,043, plus carrying costs that accrued during that period of \$51,025. The total incremental over-recovered UNC component of the Company's deferred balances, accumulated from January 1, 2015 through December 31, 2015, amounts to \$3,645,192, plus carrying costs accrued during that period of \$8,696 (in all cases without giving effect to the annual application of any over-recoveries to reduce under-recovered balances in other components of the Company's SBC). Pursuant to the Board-approved Stipulation of Settlement in the Company's 2009 SBC case, JCP&L is proposing to continue to credit over-recoveries in one component of the SBC to other components of the SBC (other than USF).

20. Insofar as the DSF is concerned, by Order dated September 30, 2008 in Docket No. EO07030203, the Board set JCP&L's Clean Energy Program ("CEP") funding levels for 2009, 2010, 2011 and 2012 at \$48.2 million, \$52.9 million, \$62.8 million and \$74.6 million, respectively. By Order dated November 20, 2012 in Docket Nos. EO07030203 and EO11100631V, the Board changed the funding year for the CEP from January 1 – December 31 to align with a state fiscal year (FY) of July 1 through June 30, and approved a six-month funding level for the period January 1, 2013 through June 30, 2013 to transition to a state fiscal year by keeping the funding at the same BPU-approved level of \$35.675 million as for the period January 1, 2012 through June 30, 2012. By the BPU Orders dated June 20, 2013 in Docket No. EO11050324V and dated June 30, 2014 in Docket No. EO11100631V, the Board set JCP&L's CEP funding levels for FY 2014 and FY 2015 at \$66.3 million each. By its Order in Docket No.

QO15040476, dated June 25, 2015, the BPU set JCP&L's CEP funding levels for FY 2016 at \$66.0 million.¹

21. Based on the forgoing, the Company's calculations show that an increase in the Rider DSF of \$8.73 million on an annual basis would be warranted. *See* Attachment A-1. However, even though the DSF balanced was under-recovered as of December 31, 2015, based on the Board's CEP funding levels for 2016, the Company's current forecast of SBC revenues, and in the interest of rate stability, JCP&L is proposing to leave its Rider DSF rate at the current level at this time.

22. As for the Rider UNC, JCP&L forecasts that it will incur approximately \$8.71 million annually in Uncollectible expense to be recovered under its Rider UNC (see Attachment A-2). After exhibiting an increasing trend from \$8.3 million in 2007, to \$10.4 million in 2008, \$11.5 million in 2009, and \$12.5 million in 2010, Uncollectible expense then trended downward, with a decrease to \$11.4 million in 2011, \$10.19 million in 2012, \$9.85 million in 2013, \$7.06 million in 2014. However, in 2015, there was a slight increase from the prior year, to \$8.94 million. Therefore, based on the forecasted revenues and expenses, the calculated decrease to the Rider UNC rate is \$3.12 million on an annual basis. *See* Attachment A-2. However, in concert with the Company's decision to not propose an increase in the Rider DSF at this time, the Company is similarly proposing to leave the Rider UNC rate at its current level at this time.

¹ Starting in 2013, by Order dated November 20, 2012 in Docket Nos. EO07030203 and EO11100631V, the BPU now sets the CEP funding level each year. Therefore, for the CEP expenses for the period July 2016 through December 31, 2016, JCP&L has simply used the BPU-mandated spending of \$34.837 million for the last six months of 2016 as approved in Docket No. QO16040352, dated July 29, 2016, for FY 2017. *See* Attachment A-1.

Rider SCC

23. As set forth in more detail in Attachments C and D of this Petition, as of December 31, 2015, Rider SCC was over collected by \$1,095,054 including carrying costs of \$2,458. That \$1,095,054 amount was transferred to the Rider RRC deferred balance on December 31, 2015. *See* Attachment C. As discussed above in Paragraph 15, pursuant to the Board's August 24, 2016 Order in the Company's RRC case, the Rider RRC rate was set to zero as of September 1, 2016. JCP&L proposes to leave the current Rider SCC, set at zero, in place at this time. In its next annual SBC/SCC filing (for calendar year 2016), JCP&L will propose a final true-up of the Rider SCC deferred balance.

Interest Calculation

24. In accordance with the Deferred Balances Order, interest currently accrues monthly on the DSF, UNC and NDC components of JCP&L's deferred balances at a rate equal to the monthly rate actually incurred on short-term debt, or in the event no short-term debt is outstanding, the rate available on equivalent temporary cash investments. Interest also accrues monthly on the SCC at the same rate. During the 2015 calendar year covered by this filing, this rate was compounded annually on January 1 of each year on all components of the SBC and on August 1 for the SCC.²

² Pursuant to the Board's June 15, 2011 Order, commencing on January 1, 2012, interest on all elements of the SBC are now compounded annually on January 1 of each year.

Attachments

25. Attached hereto and made a part of this Verified Petition are the following

Attachments:

Attachments A-1, A-2, and A-3	Summary of Relevant Deferred Balance Components as of December 31, 2015 for the DSF, UNC and NDC, respectively
Attachments B-1 and B-2	Calculation of Relevant Deferred Expenses and Accrued Interest by Month for the DSF and UNC, respectively
Attachment C	Summary of SCC Deferred Balance as of December 31, 2015
Attachment D	Calculation of SCC Deferred Expenses and Accrued Interest by Month

Public Notice and Service

26. Because JCP&L is not proposing a rate increase in this filing, the Company does not believe that any public notices need be published or served pursuant to N.J.A.C. 14:1-5.12(b)1&3, (c) and (d), nor is there any requirement for any public hearings in the Company's service area.

Service of Petition

27. Copies of this Verified Petition and of all supporting Attachments thereto have been or will be duly served by overnight express delivery at the time of the filing hereof upon the Director, Division of Rate Counsel, 140 East Front Street, 4th Floor, P.O. Box 003, Trenton,

New Jersey 08625-0003, and upon the Department of Law & Public Safety, Division of Law, 124 Halsey Street, 5th Floor, P.O. Box 45029, Newark, New Jersey 07101.

CONCLUSION

WHEREFORE, the Petitioner, Jersey Central Power & Light Company, respectfully requests that the Board issue a final decision and order:

- (1) approving the reasonableness and prudence of all costs accumulated in the DSF, UNC and NDC components of its SBC deferred balance, and in its SCC deferred balance, from January 1, 2015 through December 31, 2015;
- (2) maintaining the Rider NDC charge at zero;
- (3) maintaining the Rider DSF charge at its current level;
- (4) maintaining the Rider UNC charge at its current level;
- (5) maintaining the Rider SCC charge at zero;
- (6) authorizing the continued deferral by the Petitioner of the costs accumulated in the DSF, UNC and NDC components of its SBC deferred balance, and of the costs accumulated in its SCC deferred balance, that are not recovered on a current basis, with the continuing accrual of interest on the unamortized balance (net of deferred taxes) at the rate provided for in the Deferred Balances Order as described above, compounded annually on January 1 of each year (except for the SCC, which is compounded as of August 1 of each year), all in accordance with the terms of Petitioner's current Riders DSF, UNC and NDC and its Rider SCC, as appropriate;
- (7) authorizing the continued annual netting of all over-recoveries in any SBC component (other than the USF) against the Company's under-recovered balances in other SBC components (other than the USF) by application thereto of net over-recoveries, if any, in the SBC components other than USF; and

- (8) granting such other and further relief as the Board shall deem just, lawful and proper.

Respectfully submitted,

Dated: December 27, 2016

WINDELS MARX LANE & MITTENDORF, LLP
Attorneys for Petitioner,
Jersey Central Power & Light Company



By: _____
Gregory Eisenstark

120 Albany Street Plaza
New Brunswick, New Jersey 08901
(732) 448-2537

AFFIDAVIT
OF
VERIFICATION

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

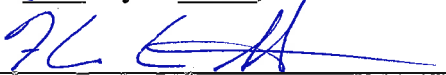
1. I am Director of Rates and Regulatory Affairs – New Jersey for Jersey Central Power & Light Company (“JCP&L”), the Petitioner named in the foregoing Verified Petition, and I am duly authorized to make this Affidavit of Verification on its behalf.

2. I have read the contents of the foregoing Verified Petition by JCP&L insofar as it relates to the review and approval of its deferred balances relating to the Demand Side Factor, Uncollectible Costs, and Nuclear Decommissioning Costs components of the Societal Benefits Charge clause of its filed Tariff, and to the System Control Charge clause of its filed Tariff, 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.

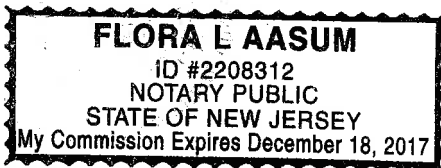


Mark A. Mader

Sworn to and subscribed before me
this 21st day of Dec., 2016.



(Notary Public)



Jersey Central Power & Light Company
Societal Benefits Charge - Demand Side Factor ("SBC-DSF")
Summary of Deferred Clean Energy Program ("CEP") Costs & Interest
For the Period January 1, 2015 through December 31, 2015

Line No.		Jan.2015 through Dec.2015	Refer to Attachment B-1, P.2 of 2 Line No(s).
Computation of (Over) Recovery of Clean Energy Program Costs:			
1	Tariff Rider DSF Revenue Recovery	\$ (74,786,144.38)	1
2	BPU-mandated New Jersey Clean Energy Program Costs	66,146,618.62 ¹	4
3	(Over) Recovery of Clean Energy Program Costs for 2015 (Line 1 + Line 2)	<u>\$ (8,639,525.76)</u>	5
4	Cumulative Under Recovery of Clean Energy Program Costs at 1/1/2015	\$ 25,197,568.71	6
5	Accrued Interest on Deferred Clean Energy Program Costs at 1/1/2015	-	7
6	Beginning Balance of Deferred CEP Costs Incl.Interest at 1/1/2015 (L4 + L5)	<u>\$ 25,197,568.71</u>	8
7	Deferred Clean Energy Program Costs at 12/31/2015 (L3 + L6)	\$ 16,558,042.95	10
8	Accrued Interest Income/(Expense)	51,024.73	25
9	Under Recovery of Clean Energy Program Costs for 2015 Incl.Interest (L7 + L8)	\$ 16,609,067.68	29
10	Rider UNC (Over) Recovery Offset Against Deferred CEP at 12/31/2015	(3,653,887.83) ²	31
11	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2015 (L9 + L10)	<u>\$ 12,955,179.85</u>	32
CALCULATION OF A PROPOSED INCREASE IN RIDER DSF			
Effective March 1, 2017		Amount	
12	Mandated Clean Energy Program Costs for the 12 Months Ended December 31, 2016	\$ 66,027,563.31 ³	
13	Deferred Clean Energy Program Costs Incl.Interest at 12/31/2015 Line 11)	12,955,179.85	32
14	Total Recoverable New Jersey Clean Energy Program Costs	\$ 78,982,743.16	
15	Forecasted Jurisdictional MWh Sales for the 12 Months Ended February 28, 2018	19,974,688	
16	Proposed Tariff Rider DSF (\$ per kWh) before SUT (Line 14 ÷ Line 15)	\$ 0.003954	
17	Current Rider DSF (\$ per kWh) before SUT	0.003517	
18	Proposed Increase in Rider DSF (\$ per kWh) before SUT (Line 16 - Line 17)	\$ 0.000437	
19	Proposed Rider DSF Revenue Increase Effective March 1, 2017 (L15 x L18 x 1,000)	<u>\$ 8,728,938.66</u>	
Notes:			
1	Per the spending mandated in the BPU's Orders in Docket No.EO11050324V, signed June 30, 2014, for the period January 2015 through June 2015 and in Docket No.QO15040476, dated June 25, 2016, for the period July 2015 through December 2015.		
2	SBC over-recoveries are offset against other under-recovered SBC components at year-end in accordance with Tariff Rider SBC.		
3	Per the spending mandated in the BPU's Orders in Docket No.QO15040476, dated June 25, 2016, for the period January 2016 through June 2016 and in Docket No.QO16040352, dated July 29, 2016, for the period July 2016 through December 2016.		

Jersey Central Power & Light Company
Societal Benefits Charge (SBC-UNC)
Summary of Deferred Uncollectible Accounts Expense and Interest
For Period January 1, 2015 through December 31, 2015

Line No.	Jan-15 through Dec-15	Refer to Attachment B-2 Line No(s).
1 Total (Over)/Under-Recovered Uncollectible Accounts Expense at Jan.1, 2015	\$0	
2 Balance of Interest on Deferred Uncollectible Accounts Expense at Jan.1, 2015	\$0	
3 Total (Over)/Under-Recovered Uncollectible Accounts Expense Including Interest at Jan.1, 2015	\$0	
4 Tariff Rider UNC Net Revenue Recovery	(\$12,581,780)	1
5 Uncollectible Accounts Expense Incurred	\$8,936,588	2
6 (Over)/Under-Recovery of UNC Costs	(\$3,645,192)	3
7 Interest Accrued	(\$8,696)	16
8 Over/(Under)-Recovery of UNC Costs and Related Interest Applied to SBC at Year-End	\$3,653,888 ¹	3 + 16
9 Under/(Over)-Recovered Balance of Uncollectible Accounts Expense Deferred at Dec.31, 2015	<u>\$0</u>	
 <u>Calculation of Proposed Increase to Tariff Rider UNC:</u>		
10 Balance of Deferred Uncollectible Accounts Expense at Dec 31, 2015	\$0	Line 9 above.
11 Forecasted Annual Uncollectible Accounts Expense	8,714,921	
12 Total Proposed Uncollectible Accounts Expense (Line 10 + Line 11)	<u>\$8,714,921</u>	
13 Forecasted Jurisdictional MWh Sales for 3/1/2017 - 2/28/2018	19,974,688	
14 Proposed Tariff Rider UNC (\$ per KWh) Before SUT (Line 12 / Line 13)	\$ 0.000436	
15 Current Tariff Rider UNC (\$ per KWh) Before SUT	\$ 0.000592	
16 Proposed Change to Tariff Rider UNC (\$ per KWh) Before SUT effective 3/1/2017	\$ (0.000156)	
17 Proposed Rider UNC Revenue (Decrease) Increase Effective 3/1/2017 (Line 13 X Line 16)	\$ (3,116,051)	

¹ SBC over-recoveries applied to other under-recovered SBC components at year-end in accordance with Tariff Rider SBC.

**Societal Benefits Charge - Nuclear Decommissioning Costs ("SBC-NDC")
Computation of JCP&L's TMI-2 Decommissioning Liability,
Annual Revenue Requirement,
as of December 31, 2015**

Line #	Computation of Trust Fund Shortage:	Amount
1	Balance Per Trust Statements at December 31, 2015	\$ 204,404,945.66
2	Assumed After-Tax Return on the Funding Annuity	5.83%
3	JCP&L 25% TMI-2 Decommissioning Liability at January 1, 2034	\$ 687,558,176.66
4	Projected Trust Fund Balance at January 1, 2034	566,825,956.82
5	Trust Fund Shortage at January 1, 2034 (L3 - L4)	\$ 120,732,219.84
6	Present Value of Shortage at January 1, 2034	\$ 43,537,637.15
Calculation of a Proposed (Decrease) in Rider NDC Effective March 1, 2017		Amount
7	Annual Revenue Requirement	\$ 3,969,810.47
8	Proposed Tariff Rider NDC (\$ per kWh) Before SUT	0.000000
9	Current Tariff Rider UNC (\$ per kWh) Before SUT	0.000000
10	No Change in Rider NDC (\$ per kWh) before SUT (L8 - L9)	0.000000

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2015 - December 31, 2015

Line #	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015
Calculation of (Over)/Under Recovery						
1 Rider DSF Revenues (Note 2)	\$ (6,248,846.39)	\$ (6,534,347.38)	\$ (6,524,029.99)	\$ (5,550,317.10)	\$ (5,015,792.77)	\$ (6,153,608.02)
Clean Energy Program Costs						
2 JCP&L Administered Clean Energy Program Costs	\$ 153,408.32	\$ 109,634.31	\$ 203,638.29	\$ 183,325.24	\$ 148,046.91	\$ 261,344.92
3 Payable to Fiscal Agent for Clean Energy Program	5,301,504.90	5,400,234.74	5,083,955.15	4,803,979.18	4,455,235.19	5,205,092.40
4 Total Clean Energy Program Costs (L2 + L3)	\$ 5,454,913.22	\$ 5,509,869.05	\$ 5,287,593.44	\$ 4,987,304.42	\$ 4,603,282.10	\$ 5,466,437.32
5 Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (793,933.17)	\$ (1,024,478.33)	\$ (1,236,436.55)	\$ (563,012.68)	\$ (412,510.67)	\$ (687,170.70)
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest						
	Jan.2015	Feb.2015	Mar.2015	Apr.2015	May 2015	Jun.2015
6 Beginning Balance - Deferred CEP Costs	\$ 25,197,568.71	\$ 24,403,635.54	\$ 23,379,157.21	\$ 22,142,720.66	\$ 21,579,707.98	\$ 21,167,197.31
7 Beginning Balance - Accrued Interest	-					
8 Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ 25,197,568.71	\$ 24,403,635.54	\$ 23,379,157.21	\$ 22,142,720.66	\$ 21,579,707.98	\$ 21,167,197.31
9 Rider DSF (Over)/Under Recovery (L5)	(793,933.17)	(1,024,478.33)	(1,236,436.55)	(563,012.68)	(412,510.67)	(687,170.70)
10 Ending Balance - Deferred CEP Costs (L8 + L9)	\$ 24,403,635.54	\$ 23,379,157.21	\$ 22,142,720.66	\$ 21,579,707.98	\$ 21,167,197.31	\$ 20,480,026.61
Calculation of Amount Due Fiscal Agent for the State of NJ						
11 Beginning Balance - (Payable to) Fiscal Agent	\$ (9,521,332.91)	\$ (10,284,991.47)	\$ (10,701,739.64)	\$ (10,484,189.89)	\$ (9,887,934.33)	\$ (9,259,214.37)
12 (Payable to) Fiscal Agent (-L2)	(5,301,504.90)	(5,400,234.74)	(5,083,955.15)	(4,803,979.18)	(4,455,235.19)	(5,205,092.40)
13 JCP&L Payments to Fiscal Agent	4,537,846.34	4,983,486.57	5,301,504.90	5,400,234.74	5,083,955.15	4,803,979.18
14 Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (10,284,991.47)	\$ (10,701,739.64)	\$ (10,484,189.89)	\$ (9,887,934.33)	\$ (9,259,214.37)	\$ (9,660,327.59)
15 Ending Deferred Balance Excluding Interest (L10 + L14)	\$ 14,118,644.07	\$ 12,677,417.57	\$ 11,658,530.77	\$ 11,691,773.65	\$ 11,907,982.94	\$ 10,819,699.02
Interest Calculation						
	Jan.2015	Feb.2015	Mar.2015	Apr.2015	May 2015	Jun.2015
16 Beginning CEP Principal Balance Before Taxes (L8 + L11)	\$ 15,676,235.80	\$ 14,118,644.07	\$ 12,677,417.57	\$ 11,658,530.77	\$ 11,691,773.65	\$ 11,907,982.94
17 Accumulated Deferred Income Taxes (L16 x 40.85%)	6,403,742.32	5,767,466.10	5,178,725.08	4,762,509.82	4,776,089.54	4,864,411.03
18 Beginning CEP Principal Balance After Taxes (L16 - L17)	9,272,493.48	8,351,177.97	7,498,692.49	6,896,020.95	6,915,684.11	7,043,571.91
19 Ending CEP Principal Balance Before Taxes (L15)	\$ 14,118,644.07	\$ 12,677,417.57	\$ 11,658,530.77	\$ 11,691,773.65	\$ 11,907,982.94	\$ 10,819,699.02
20 Accumulated Deferred Income Taxes (L19 x 40.85%)	5,767,466.10	5,178,725.08	4,762,509.82	4,776,089.54	4,864,411.03	4,419,847.05
21 Ending CEP Principal Balance After Taxes (L19 - L20)	8,351,177.97	7,498,692.49	6,896,020.95	6,915,684.11	7,043,571.91	6,399,851.97
22 Average After Tax CEP Principal ((L18 + L21) ÷ 2)	\$ 8,811,835.72	\$ 7,924,935.23	\$ 7,197,356.72	\$ 6,905,852.53	\$ 6,979,628.01	\$ 6,721,711.94
23 Multiply By: Interest Rate	0.70620%	0.74570%	0.97720%	0.96030%	1.19080%	1.26250%
24 Divided By: Months Per Year	12	12	12	12	12	12
25 Interest Income/(Expense) (L22 x L23/L24)	\$ 5,185.77	\$ 4,924.69	\$ 5,861.05	\$ 5,526.41	\$ 6,926.12	\$ 7,071.80
26 Beginning Balance - Accrued Interest Account	-	5,185.77	10,110.46	15,971.51	21,497.92	28,424.04
27 Prior Year Accrued Interest Added to Deferred Balance at January 1, 2015	-					
28 Ending Balance - Accrued Interest Account (L25 + L26 + L27)	\$ 5,185.77	\$ 10,110.46	\$ 15,971.51	\$ 21,497.92	\$ 28,424.04	\$ 35,495.84
29 Ending Deferred CEP/DSM Balances Including Interest (L10 + L28)	\$ 24,408,821.31	\$ 23,389,267.67	\$ 22,158,692.17	\$ 21,601,205.90	\$ 21,195,621.35	\$ 20,515,522.45
30 Over Recovery Applied to SBC (if any)						
31 SBC (Over) Recovery Applied to DSF (if any)						
32 End'g Dfd.CEP Bals.Incl.Int.After Applying SBC (Over) Rcvry (L29+L30+L31)	\$ 24,408,821.31	\$ 23,389,267.67	\$ 22,158,692.17	\$ 21,601,205.90	\$ 21,195,621.35	\$ 20,515,522.45
33 Ending Dfd.CEP Bals.Incl.Int.& (Payable) to Fiscal Agent (L14 + L32)	\$ 14,123,829.84	\$ 12,687,528.03	\$ 11,674,502.28	\$ 11,713,271.57	\$ 11,936,406.98	\$ 10,855,194.86

Notes:

- 1 May include in the current month, retroactive adjustments actually recorded in subsequent months.
- 2 As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
New Jersey Clean Energy Program ("CEP") Costs
Monthly Calculations of (Over)/Under Recovery, Deferred CEP
General Ledger Account Balances & Accrued CEP Interest (Note 1)
For the CEP Year January 1, 2015 - December 31, 2015

Line #	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	YTD 2015
Calculation of (Over)/Under Recovery							
1 Rider DSF Revenues (Note 2)	\$ (7,231,923.59)	\$ (7,823,958.19)	\$ (7,562,020.00)	\$ (5,796,211.80)	\$ (4,821,516.96)	\$ (5,523,572.19)	\$ (74,786,144.38)
Clean Energy Program Costs							
2 JCP&L Administered Clean Energy Program Costs	\$ 261,004.54	\$ 235,896.96	\$ 329,307.86	\$ 331,271.42	\$ 289,686.08	\$ 223,962.93	\$ 2,730,527.78
3 Payable to Fiscal Agent for Clean Energy Program	6,300,708.14	6,711,906.82	5,961,259.72	4,810,607.90	4,430,438.25	4,951,168.45	63,416,090.84
4 Total Clean Energy Program Costs (L2 + L3)	\$ 6,561,712.68	\$ 6,947,803.78	\$ 6,290,567.58	\$ 5,141,879.32	\$ 4,720,124.33	\$ 5,175,131.38	\$ 66,146,618.62
5 Rider DSF (Over)/Under Recovery (L1 + L4)	\$ (670,210.91)	\$ (876,154.41)	\$ (1,271,452.42)	\$ (654,332.48)	\$ (101,392.63)	\$ (348,440.81)	\$ (8,639,525.76)
Calculation of Ending Deferred Clean Energy Program General Ledger Balance Excluding Current Year Interest							
	Jul.2015	Aug.2015	Sep.2015	Oct.2015	Nov.2015	Dec.2015	YTD 2015
6 Beginning Balance - Deferred CEP Costs	\$ 20,480,026.61	\$ 19,809,815.70	\$ 18,933,661.29	\$ 17,662,208.87	\$ 17,007,876.39	\$ 16,906,483.76	\$ 25,197,568.71
7 Beginning Balance - Accrued Interest							-
8 Beginning Balance - Deferred CEP Costs (L6 + L7)	\$ 20,480,026.61	\$ 19,809,815.70	\$ 18,933,661.29	\$ 17,662,208.87	\$ 17,007,876.39	\$ 16,906,483.76	\$ 25,197,568.71
9 Rider DSF (Over)/Under Recovery (L5)	(670,210.91)	(876,154.41)	(1,271,452.42)	(654,332.48)	(101,392.63)	(348,440.81)	(8,639,525.76)
10 Ending Balance - Deferred CEP Costs (L8 + L9)	\$ 19,809,815.70	\$ 18,933,661.29	\$ 17,662,208.87	\$ 17,007,876.39	\$ 16,906,483.76	\$ 16,558,042.95	\$ 16,558,042.95
Calculation of Amount Due Fiscal Agent for the State of NJ							
11 Beginning Balance - (Payable to) Fiscal Agent	\$ (9,660,327.59)	\$ (11,505,800.54)	\$ (13,012,614.96)	\$ (12,673,166.54)	\$ (10,771,867.62)	\$ (9,241,046.15)	\$ (9,521,332.91)
12 (Payable to) Fiscal Agent (-L2)	(6,300,708.14)	(6,711,906.82)	(5,961,259.72)	(4,810,607.90)	(4,430,438.25)	(4,951,168.45)	(63,416,090.84)
13 JCP&L Payments to Fiscal Agent	4,455,235.19	5,205,092.40	6,300,708.14	6,711,906.82	5,961,259.72	4,810,607.90	63,555,817.05
14 Ending Balance - (Payable) to Fiscal Agent (L11 + L12 + L13)	\$ (11,505,800.54)	\$ (13,012,614.96)	\$ (12,673,166.54)	\$ (10,771,867.62)	\$ (9,241,046.15)	\$ (9,381,606.70)	\$ (9,381,606.70)
15 Ending Deferred Balance Excluding Interest (L10 + L14)	\$ 8,304,015.16	\$ 5,921,046.33	\$ 4,989,042.33	\$ 6,236,008.77	\$ 7,665,437.61	\$ 7,176,436.25	\$ 7,176,436.25
Interest Calculation							
	Jul.2015	Aug.2015	Sep.2015	Oct.2015	Nov.2015	Dec.2015	YTD 2015
16 Beginning CEP Principal Balance Before Taxes (L8 + L11)	\$ 10,819,699.02	\$ 8,304,015.16	\$ 5,921,046.33	\$ 4,989,042.33	\$ 6,236,008.77	\$ 7,665,437.61	
17 Accumulated Deferred Income Taxes (L16 x 40.85%)	4,419,847.05	3,392,190.19	2,418,747.43	2,038,023.79	2,547,409.58	3,131,331.26	
18 Beginning CEP Principal Balance After Taxes (L16 - L17)	6,399,851.97	4,911,824.97	3,502,298.90	2,951,018.54	3,688,599.19	4,534,106.35	
19 Ending CEP Principal Balance Before Taxes (L15)	\$ 8,304,015.16	\$ 5,921,046.33	\$ 4,989,042.33	\$ 6,236,008.77	\$ 7,665,437.61	\$ 7,176,436.25	
20 Accumulated Deferred Income Taxes (L19 x 40.85%)	3,392,190.19	2,418,747.43	2,038,023.79	2,547,409.58	3,131,331.26	2,931,574.21	
21 Ending CEP Principal Balance After Taxes (L19 - L20)	4,911,824.97	3,502,298.90	2,951,018.54	3,688,599.19	4,534,106.35	4,244,862.04	
22 Average After Tax CEP Principal ((L18 + L21) ÷ 2)	\$ 5,655,838.47	\$ 4,207,061.94	\$ 3,226,658.72	\$ 3,319,808.87	\$ 4,111,352.77	\$ 4,389,484.20	
23 Multiply By: Interest Rate	1.23770%	1.02110%	0.64220%	0.29230%	0.35640%	0.64490%	
24 Divided By: Months Per Year	12	12	12	12	12	12	
25 Interest Income/(Expense) (L22 x L23/L24)	\$ 5,833.53	\$ 3,579.86	\$ 1,726.80	\$ 808.65	\$ 1,221.07	\$ 2,358.98	\$ 51,024.73
26 Beginning Balance - Accrued Interest Account	35,495.84	41,329.37	44,909.23	46,636.03	47,444.68	48,665.75	-
27 Prior Year Accrued Interest Added to Deferred Balance at January 1, 2015							-
28 Ending Balance - Accrued Interest Account (L25 + L26 + L27)	\$ 41,329.37	\$ 44,909.23	\$ 46,636.03	\$ 47,444.68	\$ 48,665.75	\$ 51,024.73	\$ 51,024.73
29 Ending Deferred CEP/DSM Balances Including Interest (L10 + L28)	\$ 19,851,145.07	\$ 18,978,570.52	\$ 17,708,844.90	\$ 17,055,321.07	\$ 16,955,149.51	\$ 16,609,067.68	\$ 16,609,067.68
30 Over Recovery Applied to SBC (if any)							-
31 SBC (Over) Recovery Applied to DSF (if any)						(3,653,887.83)	(3,653,887.83)
32 End'g Dfd.CEP Bals.Incl.Int.After Applying SBC (Over) Rcvry (L29+L30+L31)	\$ 19,851,145.07	\$ 18,978,570.52	\$ 17,708,844.90	\$ 17,055,321.07	\$ 16,955,149.51	\$ 12,955,179.85	\$ 12,955,179.85
33 Ending Dfd.CEP Bals.Incl.Int.& (Payable) to Fiscal Agent (L14 + L32)	\$ 8,345,344.53	\$ 5,965,955.56	\$ 5,035,678.36	\$ 6,283,453.45	\$ 7,714,103.36	\$ 3,573,573.15	\$ 3,573,573.15

Notes:

- 1 May include in the current month, retroactive adjustments actually recorded in subsequent months.
- 2 As billed and reported in the Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
	<u>Calculation of Monthly Deferred Cost:</u>						
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,051,253.96)	(\$1,099,313.11)	(\$1,098,117.02)	(\$933,724.85)	(\$843,771.89)	(\$1,035,216.50)
2	Uncollectible Accounts Expense	\$326,741.96	\$808,983.01	\$692,508.77	\$1,048,449.15	\$660,826.53	\$1,297,202.53
3	Amount (Over)/Under Recovered	<u>(\$724,512.00)</u>	<u>(\$290,330.10)</u>	<u>(\$405,608.25)</u>	<u>\$114,724.30</u>	<u>(\$182,945.36)</u>	<u>\$261,986.03</u>
	Composite Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%
	<u>Calculation of Interest on Deferred Balance:</u>						
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	\$0.00	(\$724,512.00)	(\$1,014,842.10)	(\$1,420,450.35)	(\$1,305,726.05)	(\$1,488,671.41)
5	Current Period Deferral	(724,512.00)	(290,330.10)	(405,608.25)	114,724.30	(182,945.36)	261,986.03
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$724,512.00)	(\$1,014,842.10)	(\$1,420,450.35)	(\$1,305,726.05)	(\$1,488,671.41)	(\$1,226,685.38)
7	Deferred Tax Balance at End of Month	(295,963.15)	(414,563.00)	(580,253.97)	(533,389.09)	(608,122.27)	(501,100.98)
8	Balance Net of Deferred Tax at End of Month	(\$428,548.85)	(\$600,279.10)	(\$840,196.38)	(\$772,336.96)	(\$880,549.14)	(\$725,584.40)
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC						
10	Accumulated Deferred Interest at December 31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11	Deferred Tax at End of Year	0.00	0.00	0.00	0.00	0.00	0.00
12	Interest Balance Net of Deferred Tax at End of Year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13	Total Average Balance Beg & End of Month Net of Tax	(\$214,274.42)	(\$514,413.98)	(\$720,237.74)	(\$806,266.67)	(\$826,443.05)	(\$803,066.77)
14	Interest Rate	0.7062%	0.7457%	0.9772%	0.9603%	1.1908%	1.2625%
15	Total Interest on Deferred Balance	<u>(\$126.10)</u>	<u>(\$319.67)</u>	<u>(\$586.51)</u>	<u>(\$645.21)</u>	<u>(\$820.11)</u>	<u>(\$844.89)</u>
16	Cumulative Interest Ending Balance	(\$126.10)	(\$445.77)	(\$1,032.28)	(\$1,677.49)	(\$2,497.60)	(\$3,342.49)
17	Application of net SBC Over-Recoveries per Tariff Rider SBC						
18	Reconciliation to Interest Ending Balance as Recorded	<u>(\$126.10)</u>	<u>(\$445.77)</u>	<u>(\$1,032.28)</u>	<u>(\$1,677.49)</u>	<u>(\$2,497.60)</u>	<u>(\$3,342.49)</u>

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

Jersey Central Power & Light Company
Calculation of Over/(Under) Recovery and Interest (a)
Uncollectible Accounts Expense

Line No.		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	YTD
<u>Calculation of Monthly Deferred Cost:</u>								
1	Current Month Uncollectible Accounts Revenue (Tariff Rider UNC) (b)	(\$1,216,570.25)	(\$1,316,175.24)	(\$1,272,223.20)	(\$975,129.96)	(\$811,072.83)	(\$929,211.31)	(\$12,581,780)
2	Uncollectible Accounts Expense	\$495,199.29	\$574,148.10	\$583,457.76	\$894,005.01	\$701,572.66	\$853,493.06	\$8,936,587.83
3	Amount (Over)/Under Recovered	<u>(\$721,370.96)</u>	<u>(\$742,027.14)</u>	<u>(\$688,765.44)</u>	<u>(\$81,124.95)</u>	<u>(\$109,500.17)</u>	<u>(\$75,718.25)</u>	<u>(\$3,645,192.29)</u>
	Composite Tax Rate	40.85%	40.85%	40.85%	40.85%	40.85%	40.85%	
<u>Calculation of Interest on Deferred Balance:</u>								
4	Deferred (Over)/Under-Recovered Balance at Beginning of Month	(\$1,226,685.38)	(\$1,948,056.34)	(\$2,690,083.48)	(\$3,378,848.92)	(\$3,459,973.87)	(\$3,569,474.04)	
5	Current Period Deferral	(721,370.96)	(742,027.14)	(688,765.44)	(81,124.95)	(109,500.17)	(75,718.25)	
6	Deferred (Over)/Under-Recovered Balance at End of Month	(\$1,948,056.34)	(\$2,690,083.48)	(\$3,378,848.92)	(\$3,459,973.87)	(\$3,569,474.04)	(\$3,645,192.29)	
7	Deferred Tax Balance at End of Month	(795,781.01)	(1,098,899.10)	(1,380,259.78)	(1,413,399.33)	(1,458,130.15)	(1,489,061.05)	
8	Balance Net of Deferred Tax at End of Month	(\$1,152,275.33)	(\$1,591,184.38)	(\$1,998,589.14)	(\$2,046,574.54)	(\$2,111,343.89)	(\$2,156,131.24)	
9	Application of Net SBC Over-Recoveries per Tariff Rider SBC							
10	Accumulated Deferred Interest at December 31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
11	Deferred Tax at End of Year	0.00	0.00	0.00	0.00	0.00	0.00	
12	Interest Balance Net of Deferred Tax at End of Year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
13	Total Average Balance Beg & End of Month Net of Tax	(\$938,929.86)	(\$1,371,729.85)	(\$1,794,886.76)	(\$2,022,581.84)	(\$2,078,959.22)	(\$2,133,737.57)	
14	Interest Rate	1.2377%	1.0211%	0.6422%	0.2923%	0.3564%	0.6449%	
15	Total Interest on Deferred Balance	(\$968.43)	(\$1,167.23)	(\$960.56)	(\$492.67)	(\$617.45)	(\$1,146.71)	
16	Cumulative Interest Ending Balance	(\$4,310.92)	(\$5,478.15)	(\$6,438.71)	(\$6,931.38)	(\$7,548.83)	(\$8,695.54)	
17	Application of net SBC Over-Recoveries per Tariff Rider SBC						\$0.00	
18	Reconciliation to Interest Ending Balance as Recorded	(\$4,310.92)	(\$5,478.15)	(\$6,438.71)	(\$6,931.38)	(\$7,548.83)	(\$8,695.54)	

(a) May include in current month, retroactive adjustments actually recorded in subsequent months.

(b) As billed and reported in Report of Electric Sales.

Jersey Central Power & Light Company
Computation of Direct Load Control Programs ("DLC") Deferral Including Interest Recoverable Via Rider SCC
For the Period January 1, 2015 through December 31, 2015

Line No.	Computation Of (Over)/Under Recovery of Direct Load Control Program Costs	Jan.2015 through Dec.2015	Refer to Attachment D, Page 2,
Beginning Rider SCC Deferred Balances:			
1	(Over)/Under Recovery of Direct Load Control Program Costs at January 1, 2015	\$ -	Line 7
2	Accrued Interest on Deferred Direct Load Control Program Costs at January 1, 2015	-	Line 21
3	Beginning Deferred DLC Prog.Costs Incl.Interest at January 1, 2015 (L1 + L2)	<u>\$ -</u>	
Computation of (Over)/Under Recovery:			
4	Tariff Rider SCC Revenue Recovery	\$ (1,092,596.23)	Line 1
5	Total Direct Load Control Program Costs	-	Line 5
6	(Over)/Under Recovery of Direct Load Control Program Costs (L4 + L5)	<u>\$ (1,092,596.23)</u>	Line 6
7	Ending Deferred DLC Program Costs at December 31, 2015 Excl.Interest (L3 + L6)	<u>\$ (1,092,596.23)</u>	Line 10
8	Accrued Interest (Expense)	(2,458.26)	Line 20
9	Ending Deferred DLC Program Costs Incl.Interest at Dec.31, 2015 (L7 + L8)	<u>\$ (1,095,054.49)</u>	
10	Over-Recovery Applied to Rider RRC ^{1 & 2}	<u>1,095,054.49</u>	L11 + L25
11	Deferred Direct Load Program Costs Incl.Accrued Interest at Dec.31, 2015 (L9 + L10)	<u>\$ -</u>	Line 27
12	Current Tariff Rider SCC (\$ per kWh) Before SUT, effective September 1, 2016 ³	<u>\$0.000000</u>	
1	Per the BPU's Order in Docket No.ER10010034, signed June 15, 2011, the Board directed JCP&L to "transfer the existing under or over recovery in Rider SCC to Rider RRC, effective on July 1, 2011."		
2	Per the BPU Order in Docket Nos. ER10020130, ER11070439 and ER12080756, dated August 20, 2014, "JCP&L will continue to apply the over-collections in Rider SCC, if any, to Rider RRC until such time as the Rider RRC rate is reset pursuant to a BPU Order, at which time the Rider SCC rate will then be reset to zero."		
3	Per the BPU Order in Docket Nos. ER14080869 and ER15090995, dated August 24, 2016, the Rider SCC rate was set to zero, effective September 1, 2016.		

Jersey Central Power & Light Company
Computation of the Monthly Systems Control Costs Deferral & Interest (Note 1)
For the Year Ended December 31, 2015

Computation Of (Over)/Under Recovery		Formula	Jan. 2015	Feb. 2015	Mar. 2015	Apr. 2015	May 2015	Jun. 2015	Jul. 2015
1	Total Rider SCC Revenues (Note 2)		\$ (91,291.25)	\$ (95,478.53)	\$ (95,343.96)	\$ (81,077.36)	\$ (73,272.25)	\$ (89,896.40)	\$ (105,652.81)
Computation of Rider SCC (Over)/Under Recovery									
Direct Load Control Program Costs (DLC):									
2	Appliance Cycling Rebates excl.Pre-DSM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Direct Load Control Program Costs		-	-	-	-	-	-	-
4	DLC Program Related PJM ILR Revenues		-	-	-	-	-	-	-
5	Total DLC Program Costs	SUM(L2 : L4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Rider SCC (Over)/Under Recovery	L1 + L5	\$ (91,291.25)	\$ (95,478.53)	\$ (95,343.96)	\$ (81,077.36)	\$ (73,272.25)	\$ (89,896.40)	\$ (105,652.81)
Reconciliation of Deferred System Control Costs Accounts									
		Formula	Jan. 2015	Feb. 2015	Mar. 2015	Apr. 2015	May 2015	Jun. 2015	Jul. 2015
7	Beginning Balance - Deferred Direct Load Control Program Costs	Prior Mo.L12	\$ -	\$ (91,291.25)	\$ (186,769.78)	\$ (282,113.74)	\$ (363,191.10)	\$ (436,463.35)	\$ (526,359.75)
8	Annual Interest Reclass at August 1, 2015	- L22							
9	Beg.Bal. - Deferred DLC Incl.Annual Interest Reclass	SUM(L7 : L8)	\$ -	\$ (91,291.25)	\$ (186,769.78)	\$ (282,113.74)	\$ (363,191.10)	\$ (436,463.35)	\$ (526,359.75)
10	Deferral of Direct Load Control Program (Over)/Under Recovery	L6	(91,291.25)	(95,478.53)	(95,343.96)	(81,077.36)	(73,272.25)	(89,896.40)	(105,652.81)
11	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC							
12	Ending Balance - Deferred Direct Load Control Program Costs	SUM(L9:L11)	\$ (91,291.25)	\$ (186,769.78)	\$ (282,113.74)	\$ (363,191.10)	\$ (436,463.35)	\$ (526,359.75)	\$ (632,012.56)
Computation of Interest									
		Formula	Jan. 2015	Feb. 2015	Mar. 2015	Apr. 2015	May 2015	Jun. 2015	Jul. 2015
13	Beginning Balance - Deferred Direct Load Control Program Costs	L9	\$ -	\$ (91,291.25)	\$ (186,769.78)	\$ (282,113.74)	\$ (363,191.10)	\$ (436,463.35)	\$ (526,359.75)
14	Ending Balance - Deferred Direct Load Control Program Costs	L12 - L11	(91,291.25)	(186,769.78)	(282,113.74)	(363,191.10)	(436,463.35)	(526,359.75)	(632,012.56)
15	AVERAGE Principal Balance Before Deferred Taxes	Avg (L13 : L14)	\$ (45,645.63)	\$ (139,030.52)	\$ (234,441.76)	\$ (322,652.42)	\$ (399,827.23)	\$ (481,411.55)	\$ (579,186.16)
16	Accumulated Deferred Income Taxes	L15 x .4085%	(18,646.24)	(56,793.97)	(95,769.46)	(131,803.51)	(163,329.42)	(196,656.62)	(236,597.54)
17	AVERAGE Deferred DLC Principal Balance Excl.Deferred Taxes	L15 - L16	\$ (26,999.39)	\$ (82,236.55)	\$ (138,672.30)	\$ (190,848.91)	\$ (236,497.81)	\$ (284,754.93)	\$ (342,588.62)
18	Multiply By: Interest Rate		0.7062%	0.7457%	0.9772%	0.9603%	1.1908%	1.2625%	1.2377%
19	Divided By: Months Per Year		12	12	12	12	12	12	12
20	Interest Income/(Expense)	(L17 x L18) ÷ L19	\$ (15.89)	\$ (51.10)	\$ (112.93)	\$ (152.73)	\$ (234.68)	\$ (299.59)	\$ (353.35)
Accrued Interest Balance									
		Formula	Jan. 2015	Feb. 2015	Mar. 2015	Apr. 2015	May 2015	Jun. 2015	Jul. 2015
21	Beginning Balance - Accrued Interest Income/(Expense)	Prior Mo.L26	\$ -	\$ (15.89)	\$ (66.99)	\$ (179.92)	\$ (332.65)	\$ (567.33)	\$ (866.92)
22	Annual Interest Reclass at August 1, 2015	See Line 8							
23	Beginning Balance - Accrual After Prior Year Reclass JE	SUM(L21:L22)	\$ -	\$ (15.89)	\$ (66.99)	\$ (179.92)	\$ (332.65)	\$ (567.33)	\$ (866.92)
24	Interest Income/(Expense)	L20	(15.89)	(51.10)	(112.93)	(152.73)	(234.68)	(299.59)	(353.35)
25	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC							
26	Ending Bal. - Accrued Interest Expense Income/(Expense)	SUM(L23 : L25)	\$ (15.89)	\$ (66.99)	\$ (179.92)	\$ (332.65)	\$ (567.33)	\$ (866.92)	\$ (1,220.27)
27	Ending Bal. - Deferred DLC Program Costs Incl.Accrued Interest	L12 + L26	\$ (91,307.14)	\$ (186,836.77)	\$ (282,293.66)	\$ (363,523.75)	\$ (437,030.68)	\$ (527,226.67)	\$ (633,232.83)

Notes:

- May include in current month, retroactive adjustments recorded in subsequent months.
- As billed and reported in Report of Electric Sales.
- Per BPU Order in Docket No.ER10010034, signed June 15, 2011

Jersey Central Power & Light Company
Computation of the Monthly Systems Control Costs Deferral & Interest (Note 1)
For the Year Ended December 31, 2015

Computation Of (Over)/Under Recovery		Formula	Aug. 2015	Sep. 2015	Oct. 2015	Nov. 2015	Dec. 2015	YTD 2015
1	Total Rider SCC Revenues (Note 2)		\$ (114,308.52)	\$ (110,479.68)	\$ (84,667.04)	\$ (70,427.73)	\$ (80,700.70)	\$ (1,092,596.23)
Computation of Rider SCC (Over)/Under Recovery								
Direct Load Control Program Costs (DLC):								
2	Appliance Cycling Rebates excl.Pre-DSM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Direct Load Control Program Costs		-	-	-	-	-	-
4	DLC Program Related PJM ILR Revenues		-	-	-	-	-	-
5	Total DLC Program Costs	SUM(L2 : L4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Rider SCC (Over)/Under Recovery	L1 + L5	\$ (114,308.52)	\$ (110,479.68)	\$ (84,667.04)	\$ (70,427.73)	\$ (80,700.70)	\$ (1,092,596.23)
Reconciliation of Deferred System Control Costs Accounts								
		Formula	Aug. 2015	Sep. 2015	Oct. 2015	Nov. 2015	Dec. 2015	YTD 2015
7	Beginning Balance - Deferred Direct Load Control Program Costs	Prior Mo.L12	\$ (632,012.56)	\$ (747,541.35)	\$ (858,021.03)	\$ (942,688.07)	\$ (1,013,115.80)	\$ -
8	Annual Interest Reclass at August 1, 2015	- L22	(1,220.27)					(1,220.27)
9	Beg.Bal. - Deferred DLC Incl.Annual Interest Reclass	SUM(L7 : L8)	\$ (633,232.83)	\$ (747,541.35)	\$ (858,021.03)	\$ (942,688.07)	\$ (1,013,115.80)	\$ (1,220.27)
10	Deferral of Direct Load Control Program (Over)/Under Recovery	L6	(114,308.52)	(110,479.68)	(84,667.04)	(70,427.73)	(80,700.70)	(1,092,596.23)
11	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC					1,093,816.50	1,093,816.50
12	Ending Balance - Deferred Direct Load Control Program Costs	SUM(L9:L11)	\$ (747,541.35)	\$ (858,021.03)	\$ (942,688.07)	\$ (1,013,115.80)	\$ -	\$ -
Computation of Interest								
		Formula	Aug. 2015	Sep. 2015	Oct. 2015	Nov. 2015	Dec. 2015	YTD 2015
13	Beginning Balance - Deferred Direct Load Control Program Costs	L9	\$ (633,232.83)	\$ (747,541.35)	\$ (858,021.03)	\$ (942,688.07)	\$ (1,013,115.80)	
14	Ending Balance - Deferred Direct Load Control Program Costs	L12 - L11	(747,541.35)	(858,021.03)	(942,688.07)	(1,013,115.80)	(1,093,816.50)	
15	AVERAGE Principal Balance Before Deferred Taxes	Avg (L13 : L14)	\$ (690,387.09)	\$ (802,781.19)	\$ (900,354.55)	\$ (977,901.94)	\$ (1,053,466.15)	
16	Accumulated Deferred Income Taxes	L15 x .4085%	(282,023.13)	(327,936.12)	(367,794.83)	(399,472.94)	(430,340.92)	
17	AVERAGE Deferred DLC Principal Balance Excl.Deferred Taxes	L15 - L16	\$ (408,363.96)	\$ (474,845.07)	\$ (532,559.72)	\$ (578,429.00)	\$ (623,125.23)	
18	Multiply By: Interest Rate		1.0211%	0.6422%	0.2923%	0.3564%	0.6449%	
19	Divided By: Months Per Year		12	12	12	12	12	
20	Interest Income/(Expense)	(L17 x L18) ÷ L19	\$ (347.48)	\$ (254.12)	\$ (129.72)	\$ (171.79)	\$ (334.88)	\$ (2,458.26)
Accrued Interest Balance								
		Formula	Aug. 2015	Sep. 2015	Oct. 2015	Nov. 2015	Dec. 2015	YTD 2015
21	Beginning Balance - Accrued Interest Income/(Expense)	Prior Mo.L26	\$ (1,220.27)	\$ (347.48)	\$ (601.60)	\$ (731.32)	\$ (903.11)	\$ -
22	Annual Interest Reclass at August 1, 2015	See Line 8	1,220.27					1,220.27
23	Beginning Balance - Accrual After Prior Year Reclass JE	SUM(L21:L22)	\$ -	\$ (347.48)	\$ (601.60)	\$ (731.32)	\$ (903.11)	\$ 1,220.27
24	Interest Income/(Expense)	L20	(347.48)	(254.12)	(129.72)	(171.79)	(334.88)	(2,458.26)
25	Over-Recovery Applied to Rider RRC (Note 3)	Transfer to RRC					1,237.99	1,237.99
26	Ending Bal. - Accrued Interest Expense Income/(Expense)	SUM(L23 : L25)	\$ (347.48)	\$ (601.60)	\$ (731.32)	\$ (903.11)	\$ -	\$ -
27	Ending Bal. - Deferred DLC Program Costs Incl.Accrued Interest	L12 + L26	\$ (747,888.83)	\$ (858,622.63)	\$ (943,419.39)	\$ (1,014,018.91)	\$ -	\$ -

Notes:

- 1 May include in current month, retroactive adjustments recorded in subsequent months.
- 2 As billed and reported in Report of Electric Sales.
- 3 Per BPU Order in Docket No.ER10010034, signed June 15, 2011