
**IN THE MATTER OF THE PROVISION OF
BASIC GENERATION SERVICE FOR THE
PERIOD BEGINNING JUNE 1, 2010**

Docket No. EO09050351

JERSEY CENTRAL POWER & LIGHT COMPANY

**PROPOSAL FOR
BASIC GENERATION SERVICE
BEYOND MAY 31, 2010**

COMPANY SPECIFIC ADDENDUM

July 1, 2009

TABLE OF CONTENTS

I.	USE OF COMMITTED SUPPLY AND CONTINGENCY PLANS.....	2
A.	COMMITTED SUPPLY.....	2
B.	CONTINGENCY PLANS.....	3
II.	APPLIANCE CYCLING AND DEMAND RESPONSE PROGRAMS.....	6
III.	RETAIL MARGIN.....	7
IV.	ACCOUNTING AND COST RECOVERY.....	8
A.	BGS-FP AND BGS-CIEP RECONCILIATION CHARGES (BGS-FPRC, BGS-CIEPRC).....	8
B.	ACCOUNTING FOR THE NGC DEFERRED BALANCE.....	11
C.	ACCOUNTING FOR THE SYSTEM CONTROL CHARGE	11
V.	DESCRIPTION OF BGS TARIFF SHEETS AND OTHER TARIFF CHANGES.....	12
A.	GENERAL.....	12
B.	BGS-FP (RIDER BGS-FP)	12
(1)	<i>BGS-FP Energy Charges</i>	13
(2)	<i>BGS-FP Transmission Charges</i>	14
(3)	<i>BGS-FP Reconciliation Charge</i>	15
(4)	<i>BGS-FP Rate Design Changes</i>	15
C.	BGS-CIEP (RIDER BGS-CIEP).....	15
(1)	<i>BGS-CIEP Energy Charges</i>	16
(2)	<i>BGS-CIEP Capacity Charge</i>	17
(3)	<i>BGS-CIEP Transmission Charges</i>	17
(4)	<i>BGS-CIEP Reconciliation Charge</i>	18
D.	CIEP STANDBY FEE (RIDER CIEP - STANDBY FEE (FORMERLY RIDER DSSAC)).....	18
E.	SYSTEM CONTROL CHARGE (RIDER SCC).....	18
VI.	DESCRIPTION OF BGS PRICING SPREADSHEET.....	19
VII.	CONCLUSION.....	27

I. Use of Committed Supply and Contingency Plans

A. Committed Supply

“Committed Supply,” means power supplies to which JCP&L has an existing physical or financial entitlement. This will include specifically NUG contracts, including any restructured replacement power contracts, customer generation under the operational control of JCP&L and generation assets still owned by JCP&L, namely Yards Creek. JCP&L will retain the right to negotiate changes in all NUG contracts and to make changes with respect to the operational control over Yards Creek and dispatchable NUGs.

As previously directed by the Board in its Order dated December 11, 2001 (Docket No. EX01050303), except where retained to meet requirements of the Contingency Plan, JCP&L will continue to sell all of the energy, capacity and ancillary services associated with its Committed Supply into the PJM Spot Market unless and until the Board determines that a different sales protocol is appropriate. All net revenues from these sales will be credited to the NGC, provided that, in the case of JCP&L-owned generation assets, the all-in costs of those assets will continue to be recovered through BGS charges or JCP&L’s NGC Deferred Balance.

In the event that JCP&L is required to invoke its Contingency Plan, Committed Supply may be used to offset requirements associated with the Contingency Plan.

Consistent with the Board’s Orders dated January 29, 2004 (Docket No. EO03050394) and April 20, 2005 (Docket No. EX04080879), and to the extent otherwise permitted by applicable regulatory and contractual provisions, JCP&L will provide all renewable attributes on a pro-rata

basis to BGS-FP Suppliers, or allow such Suppliers to take credit for such attributes, to comply with the Renewable Energy Portfolio Standards (“RPS”), provided that no BGS-FP Supplier will be allocated a share of JCP&L’s renewable attributes that is greater than that Supplier’s RPS obligation as a BGS Supplier for the subject period. The renewable energy purchased by JCP&L as part of its Committed Supply will be reported to the Board in its compliance reports and, subject to the foregoing limitations, will be applied towards the minimum renewable energy percentages required for BGS-FP Supply. JCP&L will use its best efforts to obtain and provide to the BPU all documentation necessary to verify the renewable attributes of Committed Supply, as required in N.J.A.C. 14:4-8.11(d). BGS-FP Suppliers will only be responsible for obtaining and providing related verification information to JCP&L for the minimum Class I and Class II percentages required in the RPS associated with the tranches they serve, net of renewable attributes of the Committed Supply energy proportionately applied, subject to the foregoing limitations, to each BGS-FP Supplier’s tranches using the BGS-FP Supplier Responsibility Share.

Just as they are currently, JCP&L’s actual NUG contract costs will continue to be recovered through BGS charges or the NGC, with full and timely cost recovery assured, in accordance with JCP&L’s Final Restructuring Order.

B. Contingency Plans

While not every contingency can be anticipated, JCP&L has identified three possible occurrences for which a Contingency Plan has been developed:

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- (a) JCP&L receives an insufficient number of bids to provide for a fully subscribed Auction Volume, either for the BGS-FP auction or the BGS-CIEP auction;
 - (b) A default by one of the winning bidders prior to June 1, 2010;
 - (c) A default during the June 1, 2010 – May 31, 2013 supply period.

(a) Insufficient Number of Bids in Auction

In order for the Auction Process to achieve the best price for customers, the degree of competition in the auction must be sufficient. To ensure a sufficient degree of competition, the target volume of BGS-FP and BGS-CIEP Load purchased at each auction will be decided after the round 1 bids are received. Provided that there are sufficient bids at the starting prices, the auctions will be held for 100% of BGS-CIEP Load with yearly rolling procurements for the BGS-FP Load, where one-third of the required supply is contracted for the next three years.

It is possible that the number of initial bids will not result in a competitive auction for 100% of the BGS-CIEP Load and one-third of the yearly BGS-FP Supply. This determination will be made by the Auction Manager in consultation with the State's electric distribution companies and the Board Advisor.

In the event that the auction volume is reduced to less than 100% of BGS-FP or BGS-CIEP Load, JCP&L will implement a Contingency Plan for the remaining tranches. Under that plan, JCP&L, at its option, will purchase necessary services for the remaining tranches through PJM-administered markets, and may retain Committed Supply to serve these tranches. JCP&L's

procurements will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated price or volume risks to serve these tranches.

This Contingency Plan will alert bidders that in order to secure BGS-FP or BGS-CIEP prices from New Jersey BGS customers for the bidders' supply, it will be necessary to bid in the auctions. Failure to bid will mean that the BGS market faced by suppliers will be a spot market with volatility and related risks.

Since the Contingency Plan calls for the purchase of BGS supply in PJM-administered markets, it is considered a strong feature of the auction proposal because it provides bidders a strong incentive to participate in the Auction Process. If bidders were to believe that a less than fully subscribed auction would lead to a negotiation or a secondary market in which JCP&L, on behalf of its customers, would seek to acquire fixed-priced supplies, then the incentive to participate in the auction and the incentive for bidders to present their best offer in the auction would be diminished.

(b) Defaults prior to June 1, 2010

If a winning bidder defaults prior to the beginning of the BGS service, then, at JCP&L's option, the open tranches may be offered to the other winning bidders or these tranches may be bid out as quickly as possible, or procured in PJM-administered markets, and Committed Supply may be retained to serve these tranches. JCP&L's procurements in PJM-administered markets will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated

price or volume risks to serve these tranches. Additional costs incurred by JCP&L in implementing this Contingency Plan will be assessed against the defaulting supplier's credit security, to the extent available.

(c) Defaults during the Supply Period

If a default occurs during the June 1, 2010 through May 31, 2013 period, at JCP&L's option, the available tranches may be offered to other winning bidders, bid out or procured in PJM-administered markets, and Committed Supply may be retained to serve these tranches. JCP&L's procurements in PJM-administered markets will be made at prevailing Day-ahead JCP&L zonal spot market prices, and, unless instructed otherwise by the BPU, JCP&L will not enter into hedging transactions to attempt to mitigate the associated price or volume risks to serve these tranches. Additional costs incurred by JCP&L in implementing this Contingency Plan will be assessed against the defaulting supplier's credit security, to the extent available.

II. APPLIANCE CYCLING AND DEMAND RESPONSE PROGRAMS

JCP&L will credit an amount equal to the appropriate share of the Interruptible Load for Reliability Credit received from PJM ("ILR Credit") for JCP&L's Appliance Cycling Program, on a pro-rata basis, to JCP&L (for the 10 MW of load it serves) and to the winning BGS-FP suppliers that are parties to the 2008 BGS-FP Supplier Master Agreement with respect to any such program in place at the time such agreement was executed in order to ensure that the reliability benefits of these programs are retained by JCP&L's BGS customers. With respect to the 2009 and 2010 BGS-FP Supplier Master Agreements and with respect to any Appliance Cycling Programs initiated after the execution of the 2008 Supplier Master Agreement, an amount equal to the appropriate share of the ILR Credit received by JCP&L for the Appliance

Cycling Program will be credited to the System Control Charge (“SCC”), and will not be provided to JCP&L or the 2009 or 2010 BGS-FP Suppliers. JCP&L has pending before the Board, and expects to propose in the future, additional demand response initiatives that may become eligible for ILR Credit. Any such ILR Credit received by JCP&L will be credited to the rider designated by the Board for JCP&L’s recovery of the associated costs in the orders authorizing such new demand response programs. Per the Board’s directive in Docket No. EO03050394, the costs associated with the Company’s Appliance Cycling Program are being funded through the SCC for the June 1, 2009 through May 31, 2010 period. To the extent the Appliance Cycling Program continues beyond May 31, 2010, the Company proposes to continue to fund the program costs through the SCC and would continue to work with Board Staff to set appropriate policy.

By Order dated July 1, 2008 (Docket No. EO08050326), the Board directed JCP&L to provide new demand response in 2009 and thereafter. Any demand response initiatives, whether implemented in the context of Basic Generation Service or otherwise, shall be counted towards the obligation to provide new demand response and achievement of any demand response goals.

III. RETAIL MARGIN

By Order dated December 18, 2002 (Docket No. EO02070384), the Board of Public Utilities (“Board” or “BPU”) approved the implementation of a retail margin of \$.005 to be paid by all BGS customers with a peak load of 750 kW and above beginning August 1, 2003. JCP&L has recommended previously that the Board evaluate the efficacy of the retail margin, whether it should be continued at its current level, and the manner in which the appropriate level should be

established. JCP&L continues to believe that such an evaluation is both necessary and appropriate.

IV. ACCOUNTING AND COST RECOVERY

The accounting and cost recovery that JCP&L proposes for its BGS is summarized in this section. These provisions are intended to be applicable to JCP&L only. Each EDC will provide individual BGS cost recovery proposals.

A. BGS-FP and BGS-CIEP Reconciliation Charges (BGS-FPRC, BGS-CIEPRC)

JCP&L's BGS accounting will account for BGS-FP revenues and BGS-CIEP revenues individually as follows:

1. BGS-FP and BGS-CIEP revenues will be tracked using established accounting procedures and recorded separately as BGS-FP revenue and BGS-CIEP revenue.
2. As previously established for JCP&L, uncollectible revenues are recovered through a component of JCP&L's Societal Benefits Charge.
3. BGS-CIEP Retail Margin revenues and BGS-FP Retail Margin revenues will be tracked using established accounting procedures and recorded separately and will be subject to deferred accounting. These revenues will be recorded separately as BGS-CIEP Retail Margin revenue and BGS-FP Retail Margin revenue and will not be included in the calculation of the BGS-CIEP or BGS-FP Reconciliation Charge.
4. Revenues related to the Board-approved pass-through of Transmission Charge increases (e.g., RMR) will be tracked separately and recorded using established accounting procedures.

JCP&L's BGS accounting will account for BGS-FP and BGS-CIEP costs individually as the sum of the following:

1. Payments made to winning BGS bidders for the provision of BGS-FP or BGS-CIEP service.
2. Any administrative costs associated with the provision of BGS-FP and BGS-CIEP service.
3. The cost of any procurement of necessary services, including capacity, energy, ancillary services, transmission and other expenses related to the Contingency Plan, less payments, if any, recovered from defaulting bidders or from defaulting bidders' credit security.
4. Costs related to the Board-approved pass-through of Transmission Charge increases (e.g., RMR) will be tracked separately and recorded using established accounting procedures.

BGS-FP and BGS-CIEP rates will be subject to deferred accounting since there will be differences between the BGS revenue and costs (as defined above). Adjustment-type charges are necessary in order to balance out the difference between (1)(x) the amount paid to the BGS-FP and BGS-CIEP suppliers for BGS-FP and BGS-CIEP supply, (y) the total administrative costs, net of amounts received from BGS-FP and BGS-CIEP suppliers, and (z) the total Contingency Plan costs, net of recoveries from defaulting bidders, and (2) the total revenue received from customers for BGS-FP (adjusted for any BGS-FP rate design changes that may be implemented in a separate proceeding) and BGS-CIEP services, respectively.

A BGS deferral/credit will be determined individually for the BGS-FP and BGS-CIEP rates as the difference between recorded BGS-FP or BGS-CIEP revenue and the total BGS-FP or BGS-CIEP costs. The individual BGS deferrals will be accounted for in the following manner:

1. If individual BGS costs, as defined above, are higher than individual BGS recorded revenue, then the difference will be charged on a monthly basis to a reconciliation account to be reconciled and recovered from customers, with interest, on a quarterly basis through the BGS-FPRC and/or the BGS-CIEPRC;

2. If individual BGS costs, as defined above, are lower than individual BGS recorded revenue, then the difference will be credited on a monthly basis to a reconciliation account to be reconciled and returned to customers, with interest, on a quarterly basis through the BGS-FPRC and/or BGS-CIEPRC.

Reconciliation Charge rates will be calculated separately each quarter, with interest, for BGS-FP and BGS-CIEP, on a cents/kWh basis, and the respective rates applied to all BGS-FP and BGS-CIEP kWh billed. Interest will be calculated monthly at the interest rate equal to the average monthly rate actually incurred on the Company's short term debt (debt maturing in less than one year), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding. These charges may be combined with the fixed, seasonally-differentiated BGS-FP rates and BGS-CIEP hourly charges for billing, although they will be published in separate BGS-FPRC and BGS-CIEPRC tariff sheets that will be revised quarterly to reflect adjustments made based on actual costs.

Consistent with the Board-approved mechanisms for all prior BGS Post Transition Years and the related quarterly reconciliations, JCP&L will file formula-based BGS-FPRC and BGS-CIEPRC rates with the Board at least 30 days in advance of the effective dates. The filed rates will become final and effective 30 days after filing, absent a determination of manifest error by the Board. The quarterly reconciliation effective dates will be March 1, June 1, September 1 and December 1 of each year. For billing reasons, the June 1 effective date for reconciliation is aligned with the beginning of the BGS annual supply period (i.e., June 1, 2010). The subsequent formula-based reconciliation will continue every three months thereafter.

In connection with this filing, JCP&L is requesting the Board to make the following determinations with respect to BGS accounting and cost recovery:

1. that JCP&L's proposed accounting for BGS is approved by the Board for purposes of accounting and BGS cost recovery; and
2. that the proposed BGS Contingency Plan is approved by the Board and there will exist a presumption of reasonableness and prudence with respect to (i) the BGS Auction Plan method, (ii) the costs incurred for BGS supply under the Auction Plan, and (iii) the related Contingency Plan.

B. Accounting for the NGC Deferred Balance

The NGC Deferred Balance will be credited with net revenues from the sale of Committed Supply energy, capacity and ancillary services in the wholesale market.

The NGC Deferred Balance will be charged with all costs associated with Committed Supply, including NUGs and Yards Creek.

C. Accounting for the System Control Charge

The SCC will be subject to deferred accounting. The difference between SCC revenues and the costs of any programs collected through the SCC will be deferred with interest in a separate account. Interest will be calculated monthly at the rate in effect for other BGS and SBC deferrals, which is the average monthly rate actually incurred on the Company's short term debt (debt maturing in less than one year), or the rate on equivalent temporary cash investments if the Company has no short term debt outstanding. The SCC rate will be adjusted annually to account for any over/under-recovery of SCC.

In connection with this filing, JCP&L is requesting that the Board make a determination that JCP&L's proposed accounting for SCC is approved by the Board for purposes of accounting and SCC cost recovery.

V. DESCRIPTION OF BGS TARIFF SHEETS AND OTHER TARIFF CHANGES

A. General

As described in the generic section of the EDCs' 2010 BGS Proposal, two different methods will be utilized for the pricing of BGS default supply service to customers – fixed energy pricing and variable hourly energy pricing. For JCP&L, the fixed energy pricing will be termed “Basic Generation Service – Fixed Pricing”, or BGS-FP, and the hourly energy pricing service will be termed “Basic Generation Service – Commercial Industrial Energy Pricing”, or BGS-CIEP.

The BGS-FP default service is proposed to be available to residential and small and medium sized business customers, specifically those served on Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL, except as noted below. This comprises the vast majority of the number of customers and approximately 86% of the total load on the JCP&L electric system.

The BGS-CIEP default service is proposed to be available to the larger business customers, specifically those served on Service Classifications GP – General Service Primary and GT- General Service Transmission, and as noted below. Approximately 592 customers, excluding GS and GST customers as noted below, would thus be eligible to receive BGS-CIEP default service, which would comprise about 13% of the total load on the JCP&L electric system.

B. BGS-FP (Rider BGS-FP)

The tariff sheet for the Basic Generation Service – Fixed Pricing (BGS-FP) default supply service is included in Attachment 1. The BGS-FP default service is proposed to be available to customers served on Service Classification RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL,

except for GS and GST customers with peak load shares of 1000 kW or greater as of November 1, 2009, and those GS and GST customers that have opted to take BGS-CIEP default service for the 2010/2011 BGS Supply Period (June 1, 2010 through May 31, 2011) as of January 5, 2010.

On any meter reading date, and with prior requisite notice, a customer taking supply service under BGS-FP may switch to third-party supply service, and a customer taking third-party supply service may switch to BGS-FP supply service.

As indicated on the proposed tariff sheet, the BGS-FP default service is made up of three components: BGS-FP Energy Charges, BGS-FP Transmission Charges, and the BGS-FP Reconciliation Charge.

(1) BGS-FP Energy Charges

The BGS-FP Energy Charges applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL, except for certain GS and GST customers as noted above, include the costs related to energy, ancillary services and generation capacity and administrative-related costs. This calculation is consistent with the current, approved methodology of recovering all electric supply service costs in the kWh charges for these rate classes.

The specific costs that will be used to calculate the BGS-FP Energy Charges will be calculated as the “winning bid price” for the JCP&L zone times the appropriate Ratio of BGS Unit Costs at customer to All-In Average Cost at transmission nodes, as shown on Table #C7 of the Composite Cost Allocation of the 2010 BGS Auction Cost and Bid Factor Tables, included in Attachment 2, less the applicable transmission charge. “Winning bid price” is defined as the tranche weighted

average of the winning bid prices adjusted for the seasonal payment factors. For the RS rate class, the Summer energy charges are further modified by the blocking differential found in Table #C7 of the Composite Cost Allocation of the 2010 BGS Cost and Bid Factor Tables. In addition, any BGS-FP rate design changes that may be implemented in a separate proceeding will be combined with the aforementioned BGS-FP Energy Charges.

JCP&L will identify all GS and GST customers with loads of 750 kW or greater (but less than 1000 kW) based on the individual customer's share of the capacity peak load as in effect as of November 1, 2009 assigned to the JCP&L Transmission Zone by the PJM Interconnection, L.L.C., adjusted for billing anomalies. JCP&L will notify these customers by letter that a retail margin of \$0.005 per kWh will be added to the BGS Energy Charges for all kWh usage. As described below, the letter will also inform these customers that they are permitted to switch from the BGS-FP default service to the BGS-CIEP default service by notifying JCP&L in writing, no later than January 5, 2010.

Implementation of the Retail Margin for BGS-FP default service is explained in Section I - Retail Margin, above.

(2) BGS-FP Transmission Charges

BGS-FP Transmission Charges will be based on such applicable rate schedules on file with and approved by the Board as may be in effect from time to time.

In compliance with the BGS-FP Supplier Master Agreement, JCP&L will file with the BPU to change the transmission cost components of the BGS charges to customers as the Federal Energy

Regulatory Commission (the “FERC”) approves changes in the Network Integration Transmission Service rates for the JCP&L zone in the PJM Open Access Transmission Tariff (the “PJM OATT”), or the FERC approves other network transmission-related charges in the PJM OATT. JCP&L will review and verify the basis for any BGS transmission charge adjustment, file supporting documentation from the PJM OATT as well as any rate translation spreadsheets used.

(3) BGS-FP Reconciliation Charge

Implementation of the BGS-FP Reconciliation Charge for the BGS-FP default service is explained in Section IV - Accounting and Cost Recovery, above.

(4) BGS-FP Rate Design Changes

JCP&L anticipates proposing certain BGS-FP rate design changes in a separate docket.

C. BGS-CIEP (Rider BGS-CIEP)

The tariff sheet for the Basic Generation Service – Commercial Industrial Energy Pricing (BGS-CIEP) is included in Attachment 1. The BGS-CIEP default service will be the only default service for customers served on Service Classifications GP – General Service Primary and GT – General Service Transmission and for customers served on Service Classifications GS – General Service Secondary and GST – General Service Secondary Time-of-Day customers with peak load shares of 1000 kW or greater as of November 1, 2009, those GS and GST customers that have opted to take BGS-CIEP default service for the 2010/2011 BGS Supply Period (June 1,

2010 through May 31, 2011) as of January 5, 2010, and those GS and GST customers that previously opted to take BGS-CIEP default service and do not notify the Company, by January 5, 2010, that they opt to return to BGS-FP default service for the 2010/2011 BGS Supply Period (June 1, 2010 through May 31, 2011).

All GS and GST customers (with the exception of non-metered accounts) may “opt in” to BGS-CIEP, effective June 1, 2010, provided that they notify the Company no later than January 5, 2010. The Company will post a notice on its website informing these customers that they may voluntarily opt-in to BGS-CIEP, along with a toll free number or web address to use to opt in.

All customers voluntarily requesting to be billed under BGS-CIEP will be required to pay the metering and communications costs to accommodate BGS-CIEP billing. In addition, any GS customer with special provision (d) or (e) for restricted water heating service (“Restricted Off-Peak Water Heating Service” or “Restricted Controlled Water Heating Service”) who opts to take BGS-CIEP will no longer qualify for such special provisions effective June 1, 2010.

The rates for BGS-CIEP are comprised of several segments: BGS-CIEP Energy Charges, a BGS-CIEP Capacity Charge, BGS-CIEP Transmission Charges and the BGS-CIEP Reconciliation Charge.

(1) BGS-CIEP Energy Charges

The primary component of this charge will be the actual real time PJM load weighted average Locational Marginal Price (“LMP”) of energy for the JCP&L Transmission Zone plus the ancillary service costs (including PJM Administrative Costs). This sum will then be adjusted for

losses for service at the various voltage levels to which this service is applicable (such losses will be updated to reflect actual PJM marginal loss), plus a retail margin of \$0.005 per kWh. The ancillary service costs will be set at \$0.006 per kWh for all monthly usage.

Implementation of the Retail Margin for BGS-CIEP default service is explained in Section III - Retail Margin, above.

(2) BGS-CIEP Capacity Charge

This charge is designed to recover the costs associated with generation capacity for customers served under Service Classifications GP and GT, GS and GST customers that have a peak load share of 1000 kW or greater as of November 1, 2009, and GS and GST customers that have opted in no later than January 5, 2010. The BGS-CIEP Capacity Charge is expressed on a per kW of generation capacity obligation at \$0.xxxx per kW-day to be applied to the customer's share of capacity peak load assigned to the JCP&L Transmission Zone by PJM, as adjusted by PJM assigned capacity related factors. The capacity charge will be determined in the BGS-CIEP Auction Process.

(3) BGS-CIEP Transmission Charges

The BGS-CIEP Transmission Charges will be based on such applicable rate schedules on file with and approved by the Board as may be in effect from time to time.

In compliance with the BGS-CIEP Supplier Master Agreement, JCP&L will file with the BPU to change the transmission cost components of the BGS charges to customers as the FERC approves changes in the Network Integration Transmission Service rates for the JCP&L zone in

the PJM OATT, or the FERC approves other network transmission-related charges in the PJM OATT. JCP&L will review and verify the basis for any BGS transmission charge adjustment, file supporting documentation from the PJM OATT as well as any rate translation spreadsheets used.

(4) BGS-CIEP Reconciliation Charge

Implementation of the BGS-CIEP Reconciliation Charge for the BGS-CIEP default service is explained in Section IV - Accounting and Cost Recovery, above.

D. CIEP Standby Fee (Rider CIEP - Standby Fee (formerly Rider DSSAC))

This charge (formerly the "Default Supply Service Availability Charge"), equal to \$0.00015 per kWh of BGS-CIEP-Eligible Customers' usage, is intended to recover the BGS-CIEP Suppliers' costs associated with maintaining the availability of the hourly priced default electric supply service for all customers on the applicable rate classes as indicated in the Rider and, thus, this charge will be paid directly to the BGS-CIEP Suppliers by the Company.

E. System Control Charge (Rider SCC)

This non-bypassable charge is intended to recover the BGS system control costs associated with the Company's Appliance Cycling Program. This charge will be applicable to all kWh usage for all customers, subject to annual true-up as explained in Section IV - Accounting and Cost Recovery, above.

VI. DESCRIPTION OF BGS PRICING SPREADSHEET

The charge for each BGS rate element (i.e. Rate RT Summer charge, Winter charge, etc.) for the BGS-FP service will be based on a factor times the final winning bid price. These factors have been developed based on the ratios of the estimated underlying market costs of each rate element (for each rate class) to the overall all-in BGS cost, as determined by the percent load weighted costs of the remaining load served from the 2008 and 2009 BGS auctions and the forecasted cost for the 2010 BGS auction. The tables included in Attachment 2 present all of the input data, intermediate calculations, and the final results in the calculation of these ratios.

A separate cost allocation is performed for each auction (2008/2009, 2009/2010 and 2010/2011, BGS Supply Periods). Except where noted, the tables are identical for each year.

Table #1 (% Usage during PJM On-Peak Period) contains the percentage of on-peak load, inputted by month, for each rate schedule. The on-peak period as used in this table (referred to as PJM periods) is defined as the 16-hour period from 7 AM to 11 PM, Monday through Friday (non-holidays). All remaining weekday hours and all hours on weekends and holidays recognized by the National Electric Reliability Council ("NERC") are considered the off-peak period. This is consistent with the time periods used in the forwards market for trading of bulk power. The values in this table are an average based on the on-peak versus total usage for the respective rate class and calendar month using 2006, 2007 and 2008 data.

Table #2 (% Usage During JCP&L On-Peak Billing Period) contains the percentage of on-peak load, forecasted for 2009, by month, for JCP&L's RT and GST rate schedule based on the definitions of time periods as contained in JCP&L's Tariff under the applicable rate schedule.

RT and GST are the two rate schedules in Table #1 for which JCP&L bills energy charges differentiated by on-peak and off-peak prices.

Table #3 (Class Usage @ customer) contains the calendar month sales forecasted for the calendar year 2009. The GS and GST classes exclude the usage of those accounts with peak load shares of 1000 kW or greater to be served under BGS-CIEP.

Table #4 (Forwards Prices – Energy Only @ bulk system) contains the forwards prices for energy, by time period and month, for the applicable Post Transition Year. For the 2008/2009 and 2009/2010 BGS Supply Periods, the initial prices that were used were adjusted by a uniform amount (see Table #17) so that the total costs match the total payments at the final bid price for the 36-month tranches from the 2008 and 2009 BGS auctions. These values consist of the published energy on-peak forwards at the time the respective year's Pricing Spreadsheet was developed, and an estimate of the unpublished costs for the off-peak periods of each month derived based on a ratio of on-peak to off-peak prices.

An adjustment of the forward prices contained in Table #4 must be made to correct for the pricing differential between the PJM West trading hub and the JCP&L zone where the BGS supply will be utilized.

Table #5 (Zone-Hub Basis Differential) contains an estimate of the average differential, by month and time period, which, when multiplied by the prices at the PJM West trading hub, will result in costs for power delivered into the JCP&L zone.

The factors utilized for average system losses and unaccounted-for supply are inputted in Table #6 (Losses) by rate schedule. Loss factors (@ bulk) are those currently in effect and approved by the Board. Since the service for all of the rates indicated is at secondary voltages, the loss factors are identical for all rates. The loss factors (@ transmission node) shown on the lower portion of this Table reflected PJM marginal loss.

Table #7 (Summary of Average BGS Energy Only Unit Costs @ customer – PJM Time Periods) is the calculation of the energy-only costs by rate, time period and season. These values are the seasonal and time period average costs per MWh as measured at the customer billing meter (from Table #3), based on the forward prices (from Table #4) corrected for zone-hub differential (from Table #5), losses (from Table #6), and monthly time period weights (from Table #1). These average costs do not include the costs associated with Ancillary Services, Generation Obligation or Transmission, which will be considered in subsequent calculations.

Table #8 (Summary of Average BGS Energy Only Costs @ Customer – PJM Time Periods) indicates the total value, in thousands of dollars, of the average BGS energy-only costs. These are the results of the multiplication of the unit costs from Table #7 and the total sales to customers from Table #3. Since the end result of these calculations will be utilized in the development of retail BGS rates, the rates utilizing time-of-day pricing must be developed based upon the time periods as defined for billing.

Table #9 (Summary of Average BGS Energy Only Unit Costs @ Customer – JCP&L Time Periods) shows the result of the corrections for the RT and GST rates billed on a time-of-day basis. These values are calculated by starting with the revenue in Table #8. Because JCP&L bills fewer on-peak hours than the hours defined by PJM, a portion of the PJM on-peak costs had

to be reallocated to the revenue to be collected at Tariff off-peak hour prices. This was accomplished by first calculating the difference between the two sets of on-peak hours by multiplying the total respective RT and GST MWh usage for each month from Table #3 by the percentages in Table #1 versus the percentages in Table #2. This difference between these two sets of on-peak MWh was then totaled by season (Summer and Winter) and multiplied by the average of the applicable Summer or Winter on-peak and off-peak prices in Table #7. This revenue amount was added to the respective off-peak revenue amount in Table #8 and subtracted from the respective on-peak revenue amount in Table #8. The revenue amounts in Table #8 (with the respective RT and GST on-peak and off-peak revenue adjusted by the calculations noted above) were then divided by the Tariff-based MWh for the respective rate class and usage type (total, on-peak or off-peak) and season (Summer or Winter) to arrive at the unit costs in Table #9.

Table #10 sets up the calculations to establish the costs of the Generation Capacity and Transmission obligations. The top portion of Table #10 (Generation & Transmission Obligations and Costs) shows the total obligations, by rate schedule, that are currently being utilized in the year 2009, with the GS and GST obligation reduced to reflect the accounts with a peak load share of 1000 kW or greater taking service under BGS-CIEP. The middle portion of this table shows the number of Summer and Winter days and months and the seasonally differentiated costs of generation capacity that were projected during the applicable BGS Supplier Period. For the 2008/2009 and 2009/2010 BGS Supply Periods, the initial prices used are adjusted by a uniform amount (see Table #17) so that the total costs match the final bid price for the 36-month tranches from the 2008 and 2009 BGS auctions. The cost of transmission service is equal to the current transmission rate under the JCP&L retail tariff approved by the

BPU, excluding the pass-through of transmission rate increases (e.g., SECA) that are subject to refund. The generation capacity costs are based on an estimate of the relevant current wholesale market price. The bottom portion of this table shows the Summer BGS price block differential for the RS rate class as prescribed by the Board. The percentage usage figures are based on the amount of RS Summer billing month usage forecasted to be billed at the respective price blocks for 2009. These price block usage percentages are used in Table #13 to lower the first block (0-600 kWh per month) and raise the second block (over 600 kWh per month) RS Summer prices on an overall revenue neutral basis.

Table #11 includes an estimate of the average annual per MWh costs of Ancillary Services (Ancillary Services). For the 2008/2009 and 2009/2010 BGS Supply Periods, the initial prices used are adjusted by a uniform amount (see Table #17) so that the total costs match the final bid price for the 36-month tranches from the 2008 and 2009 BGS auctions.

Table #12 (Summary of Obligation Costs Expressed as \$/MWh @ customer) provides transmission obligations, which are JCP&L's Tariff transmission rates for the rate schedules indicated, excluding the pass-through of transmission rate increases (e.g., SECA) that are subject to refund, and sales and use tax, and shows the result of the allocation of generation costs on a per MWh basis. The values for the generation obligations are calculated by taking the total generation capacity costs from the middle of Table #10 (Summer, Winter and annual) and allocating them by rate class based on each rate class's portion of the BGS-FP Total Generation Obligation (from the top of Table #10). The respective allocated capacity costs for each rate class and season are then divided by the associated MWh. The MWhs are taken from Table #3 for the All Hours costs to arrive at the Generation Obligation \$/MWh in Table #12. For RT and

GST, the respective MWhs from Table #3 are multiplied by the on-peak percentages from Table #2 to arrive at the On-Peak Generation Obligation \$/MWh in Table #12. .

Table #13 (Summary of BGS Unit Costs @ customer) is the result of the inclusion of the transmission (excluding the pass-through of transmission rate increases (e.g., SECA) that are subject to refund), generation capacity, and Ancillary Services costs in the energy only costs shown in Table #9. Note: The Ancillary Services cost in Table #11 is corrected for losses (from Table #6). This table shows the total estimated all-in BGS costs on a dollars per MWh basis.

Table #14 (Units at Customer) This is the forecasted 2009 units at customer (metered usage without losses) by rate class, season, usage block and on-peak versus off-peak as applicable.

Table #15 (Summary of Total Estimated BGS Costs by Season) provides the total cost by rate class by season, usage block and on-peak versus off-peak period, as applicable. This is based on the unit costs in Table #13 multiplied by the applicable units in Table #14.

Table #16 (Customer and Bulk System Costs) applies only to the 2008/2009 and 2009/2010 BGS Supply Periods. This table takes the total costs at customer from Table #15, summarizes the units from Table #14 by season and then calculates the Supplier Payment that would be required if 100% of the load was provided based on the final bid price and seasonal factors for the applicable auction year.

Table #17 (Adjustment Factor Calculation) applies only to the 2008/2009 and 2009/2010 BGS Supply Periods. This table compares the Total Supplier Payments from Table #16 to the total Estimated BGS Costs by Season in Table #15 based upon the initial Forwards Prices in Table #4,

Generation Capacity Cost in Table #10 and Ancillary Service Charges in Table #11. The resulting Summer and Winter adjustment factors are then used to derive the adjusted Forwards Prices in table #4, Generation Capacity Cost in Table #10 and Ancillary Service Charges in Table #11. After updating the applicable formulas with these adjustment factors the Total Suppliers Payments in Table #16 and the Total Estimated BGS Costs by Season in Table #15 should match within rounding error and the adjustment factor calculation should arrive at (or very close to) 1.

Table #18 (Bulk System Costs) applies only to the 2010/2011 BGS Supply Period. This table takes the total cost from Table #15 and divides it by the total units in Table #3 adjusted by the loss factors in Table #6 to derive the average annual cost per wholesale MWh.

Table #19 (Seasonal Payment Factors) performs a similar calculation to Table #18, but on a seasonal basis to arrive at the average Summer cost per wholesale MWh and the average Winter cost per wholesale MWh. It then compares these average seasonal costs to the average annual cost to derive the Seasonal Payment Factors for the 2010/2011 BGS Supply Period.

The Composite Cost Allocation uses the Total Estimated BGS Costs by Season from Table #15 for each of the BGS Supplier Periods to derive the percent load weighted average cost for June 1, 2010 through May 31, 2011 for each rate class, by season, usage block and on-peak versus off-peak as applicable.

Tables #C1, #C2 and #C3 are the costs for the three bid years along with the percentage of load that will be served from each respective bid year for the period June 1, 2010 through May 31, 2011.

Table #C4 (Composite Percent Load Weighted Costs) is the cost for each of the bid years multiplied by the respective percentage of load to be served in each bid year.

Table #C5 (Units @ Customer) This is the forecasted 2009 units at customer (metered usage without losses) by rate class, season, usage block and on-peak versus off-peak, as applicable.

Table #C6 (Summary of BGS Unit Costs @ customer) is the average cost per MWh for each rate class, season, usage block and on-peak versus off-peak (as applicable), based on the Composite Costs in Table #C4 divided by the units at customer in Table #C5. The second part of Table #C6 takes the total Composite Cost from Table #C4 and divides it by the total wholesale MWh (2010/2011 BGS Supply Period, Table #3 adjusted by the loss factors in 2010/2011 BGS Supply Period, Table #6) to arrive at the All-In Average Costs at bulk system and the All-In Average Costs at transmission nodes.

Table #C7 (Ratio of BGS Unit Costs @ customer to All-In Average Cost @ transmission nodes) indicates the ratio of the individual rate element costs to the overall all-in cost as measured at the transmission nodes, both from Table #C6. These ratios are to be used to go from the bid price to the rate class-specific retail BGS rates effective June 1, 2010 through May 31, 2011. For all but the RS service classification, the rate class specific energy, capacity and ancillary services rate will be the bid price times the ratio in Table #C7, less the transmission price from 2010/2011 BGS Supply Period, Table #12, the result of which is increased for sales and use tax. Customers will continue to be billed the current Tariff transmission rates. For the RS service classification, Table #C7 also provides constants (excluding sales and use taxes) to be applied to all RS Summer first and second block units (after applying the ratio in Table #C7) to achieve the prescribed first versus second block differential (per the bottom of Table #10) while maintaining

the same overall revenue. Other than adjusting the price by this constant, all rates for the RS service classification are calculated as indicated above.

VII. CONCLUSION

JCP&L hereby submits its Company Specific Addendum Compliance Filing to the Board and asks that the Board issue an Order specifically approving, as reasonable and prudent, the Company's proposals for (1) use of its Committed Supply, (2) a Contingency Plan, (3) Allocation of Renewable Energy as described under Section II.A - Committed Supply, above, and ALM Capacity Credits related to the Appliance Cycling Program, (4) the SCC, (5) Tariff sheets for Service Classifications GS and GST, Riders BGS-FP, BGS-CIEP, CIEP - Standby Fee and SCC, (6) BGS pricing, and (7) as discussed in Section II hereof, treatment of any demand response initiatives, whether implemented in the context of Basic Generation Service or otherwise, as counting towards the obligation to provide new demand response and achievement of any demand response goals.

Attachment 1
Proposed Tariff Sheets

Company Specific Addendum Filed July 1, 2009

Rider BGS-FP
Basic Generation Service – Fixed Pricing
(Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL)

AVAILABILITY: Rider BGS-FP is available to and provides Basic Generation Service (default service) charges applicable to all KWH usage for Full Service Customers taking service at secondary voltages under Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL, except for GS and GST customers that have a peak load share of 1000 KW or greater as of November 1, 2009. Rider BGS-FP-eligible GS and GST customers may elect to take default service under Rider BGS-CIEP no later than the second business day in January of each year. Such election will be effective June 1 of that year and Rider BGS-CIEP will remain the customer's default service for the entire 12-month period from June 1 through May 31 of the following year. BGS-FP-eligible customers who have elected to take default service under BGS-CIEP may return to BGS-FP by notifying the Company no later than the second business day in January of each year. Such notification to return to BGS-FP will become effective June 1 of that year.

RATE PER BILLING MONTH: (For service rendered effective June 1, 2010 through May 31, 2011)
1) BGS Energy Charge per KWH: (All charges include Sales and Use Tax as provided in Rider SUT.)

<u>Service Classification</u>	<u>June through September</u>	<u>October through May</u>
RS - first 600 KWH	\$x.xxxxxx	
- all KWH over 600	\$x.xxxxxx	
- all KWH		\$x.xxxxxx
(Excludes off-peak and controlled water heating special provisions)		
RT - all on-peak KWH	\$x.xxxxxx	\$x.xxxxxx
- all off-peak KWH	\$x.xxxxxx	\$x.xxxxxx
RGT - all on-peak KWH	\$x.xxxxxx	
- all off-peak KWH	\$x.xxxxxx	
- all KWH		\$x.xxxxxx
RS and GS Water Heating – all KWH	\$x.xxxxxx	\$x.xxxxxx
(For separately metered off-peak and controlled water heating usage under applicable special provisions)		
GS - all KWH (Note 1)	\$x.xxxxxx	\$x.xxxxxx
(Excludes off-peak and controlled water heating special provisions)		
GST - all on-peak KWH (Note 1)	\$x.xxxxxx	\$x.xxxxxx
- all off-peak KWH (Note 1)	\$x.xxxxxx	\$x.xxxxxx
OL, SVL, MVL, ISL - all KWH	\$x.xxxxxx	\$x.xxxxxx

BGS Energy Charges above reflect costs for energy, generation capacity, ancillary services and related cost.

Issued:

Effective: June 1, 2010

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

Issued by Donald M. Lynch, President
300 Madison Avenue, Morristown, NJ 07962-1911

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 10 ELECTRIC - PART III

XXth Rev. Sheet No 36A
Superseding XXth Rev. Sheet No. 36A

Rider BGS-FP
Basic Generation Service – Fixed Pricing
(Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL)

1) BGS Energy Charge per KWH: (Continued)

(Note 1) Retail Margin: A Retail Margin of \$0.005350 per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Energy Charges stated above applicable to all KWH usage by any GS and GST customers that the Company has identified with loads of 750 KW or greater (but less than 1000 KW) as of November 1, 2009 and that the Company has notified that the Retail Margin would be added to the BGS Energy Charges applicable to their KWH usage beginning June 1, 2010.

2) BGS Transmission Charge per KWH: As provided in the respective tariff for Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL and ISL. Effective January 1, 2010, a RMR surcharge of \$x.xxxxxx per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage.

Effective October 1, 2008 through May 31, 2009, a TRAILCO2-TEC surcharge of \$0.000116 per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage except lighting under Service Classifications OL, SVL, MVL and ISL.

Effective January 1, 2009 through December 31, 2009, a PATH2-TEC surcharge of \$0.000070 per KWH (includes Sales and Use Tax as provided in Rider SUT), a VEPCO2-TEC surcharge of \$0.000001 per KWH (includes Sales and Use Tax as provided in Rider SUT), and a PSEG1-TEC surcharge of \$0.001252 per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage except lighting under Service Classifications OL, SVL, MVL and ISL.

3) BGS Reconciliation Charge per KWH: \$x.xxxxxx (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

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JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 10 ELECTRIC - PART III

XXth Rev. Sheet No. 37
Superseding XXth Rev. Sheet No. 37

Rider BGS-CIEP
Basic Generation Service – Commercial Industrial Energy Pricing
(Applicable to Service Classifications GP and GT and
Certain Customers under Service Classifications GS and GST)

AVAILABILITY: Rider BGS-CIEP is available to and provides Basic Generation Service (default service) charges applicable to all Full Service Customers taking service at primary and transmission voltages under Service Classifications GP and GT and any Full Service Customers taking service at secondary voltages under Service Classifications GS and GST that have a peak load share of 1000 KW or greater as of November 1, 2009, or that have elected to take BGS-CIEP service no later than the second business day in January of each year. All BGS-CIEP customers remain subject to this Rider for the entire 12-month period from June 1 of any given year through May 31 of the following year.

RATE PER BILLING MONTH:

(For service rendered effective June 1, 2010 through May 31, 2011)

1) BGS Energy Charge per KWH: The sum of actual real-time PJM load weighted average Locational Marginal Price for JCP&L Transmission Zone and ancillary services of \$0.00600 per KWH, times the Losses Multiplier provided below, plus a Retail Margin of \$0.005 per KWH, times 1.07 multiplier for Sales and Use Tax as provided in Rider SUT.

Losses Multiplier:	GT – High Tension Service	1.005
	GT	1.027
	GP	1.047
	GST	1.103
	GS	1.103

2) BGS Capacity Charge per KW of Generation Obligation: \$x.xxxxxx per KW-day times BGS-CIEP customer's share of the capacity peak load assigned to the JCP&L Transmission Zone by the PJM Interconnection, L.L.C., as adjusted by PJM assigned capacity related factors, times 1.07 multiplier for Sales and Use Tax as provided in Rider SUT.

3) BGS Transmission Charge per KWH: As provided in the respective tariff for Service Classifications GS, GST, GP and GT. Effective January 1, 2010, a RMR surcharge will be added to the BGS Transmission Charge applicable to all KWH usage, as follows (includes Sales and Use Tax as provided in Rider SUT):

GT – High Tension Service	\$x.xxxxxx
GT	\$x.xxxxxx
GP	\$x.xxxxxx
GS and GST	\$x.xxxxxx

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300 Madison Avenue, Morristown, NJ 07962-1911

Rider BGS-CIEP
Basic Generation Service – Commercial Industrial Energy Pricing
 (Applicable to Service Classifications GP and GT and
 Certain Customers under Service Classifications GS and GST)

3) BGS Transmission Charge per KWH: (Continued)

Effective October 1, 2008 through May 31, 2009, a TRAILCO2-TEC surcharge will be added to the BGS Transmission Charge applicable to all KWH usage, as follows (includes Sales and Use Tax as provided in Rider SUT):

	<u>TRAILCO2-TEC</u>
GT – High Tension Service	\$0.000016
GT	\$0.000060
GP	\$0.000064
GS and GST	\$0.000116

Effective January 1, 2009 through December 31, 2009, a PATH2-TEC surcharge, a VEPCO2-TEC surcharge and a PSEG1-TEC surcharge will be added to the BGS Transmission Charge applicable to all KWH usage, as follows (includes Sales and Use Tax as provided in Rider SUT):

	<u>PATH2-TEC</u>	<u>VEPCO2-TEC</u>	<u>PSEG1-TEC</u>
GT – High Tension Service	\$0.000011	\$0.000000	\$0.000198
GT	\$0.000041	\$0.000001	\$0.000739
GP	\$0.000043	\$0.000001	\$0.000762
GS and GST	\$0.000070	\$0.000001	\$0.001252

4) BGS Reconciliation Charge per KWH: \$x.xxxxxx (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

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JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 10 ELECTRIC - PART III

XXth Rev. Sheet No. 38
Superseding XXth Rev. Sheet No. 38

Rider CIEP – Standby Fee
Commercial Industrial Energy Pricing Standby Fee
(Applicable to Service Classifications GP and GT and
Certain Customers under Service Classifications GS and GST)

Effective June 1, 2007, Rider DSSAC (Default Supply Service Availability Charge) is renamed Rider CIEP – Standby Fee to comply with the BPU Order dated December 22, 2006 (Docket No. EO06020119).

APPLICABILITY: Rider CIEP – Standby Fee provides a charge applicable to all KWH usage of all Full Service Customers or Delivery Service Customers taking service under Service Classifications GP and GT and any Full Service Customer or Delivery Service Customer taking service under Service Classifications GS and GST that has a peak load share of 1000 KW or greater as of November 1, 2009, or that has elected to take Basic Generation Service-Commercial Industrial Energy Pricing under Rider-CIEP no later than the second business day in January of each year. This charge is applicable for service rendered from June 1, 2010 through May 31, 2011 to recover costs associated with administrating and maintaining the availability of the hourly-priced default Basic Generation Service for these customers.

CIEP – Standby Fee per KWH: \$0.000150

(\$0.000161 including Sales and Use Tax as provided in Rider SUT)

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JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 10 ELECTRIC - PART III

1st Rev. Sheet No. 60
Superseding Original Sheet No. 60

**Rider SCC
System Control Charge**

APPLICABILITY: Rider SCC provides a charge for Basic Generation Service system control costs applicable to all KWH usage of any Full Service Customer or Delivery Service Customer. The SCC rate is subject to annual true-up for any over or under-recovery of system control costs.

SCC = \$0.000074 per KWH (\$0.000079 per KWH including SUT)

System control costs shall include carrying costs on any unamortized balance of such costs at the applicable interest rate approved by the BPU. Pursuant to the Summary Order dated August 1, 2003, such interest rate shall be "the rate actually incurred on the Company's short-term debt (debt maturing in less than one year), or the rate on equivalent temporary cash investments if the Company has no short-term debt outstanding...interest shall be computed monthly and compounded annually (added to the balance on which interest is accrued annually)."

Issued: July 14, 2006

Effective: July 15, 2006

Filed pursuant to Order of Board of Public Utilities
Docket No. EO03050394 dated February 11, 2004
And Docket No. AT06070502

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300 Madison Avenue, Morristown, NJ 07962-1911

**Jersey Central Power & Light
Attachment 2
2010 BGS Auction Cost and Bid Factor Tables**

2008/2009 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

**Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods**

Table #1

% Usage During PJM On-Peak Period

*Based on an average of 2006 through 2008 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays*

(data rounded to nearest .01 %)	<i>Profile Meter</i>				<i>Other Analysis OL/SL</i>
	<i>Profile Meter Data RT{1}</i>	<i>Profile Meter Data RS{2}</i>	<i>Profile Meter Data GS{3}</i>	<i>Profile Meter Data GST</i>	
January	48.98%	52.39%	58.68%	57.34%	33.39%
February	47.13%	50.37%	57.40%	55.89%	30.48%
March	45.25%	49.03%	57.87%	55.84%	32.65%
April	45.09%	49.23%	57.75%	55.76%	29.79%
May	49.05%	54.41%	60.36%	59.13%	31.06%
June	50.90%	53.71%	58.60%	57.75%	29.29%
July	52.82%	54.59%	58.71%	56.93%	28.73%
August	53.67%	56.14%	59.97%	58.14%	30.16%
September	48.29%	51.70%	57.91%	56.86%	30.93%
October	47.94%	52.89%	60.98%	58.80%	34.53%
November	47.06%	51.38%	59.03%	56.72%	33.20%
December	47.19%	50.50%	57.86%	55.12%	33.22%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

(data rounded to nearest .01 %)	<i>2009 Forecasted Calendar Month</i>			<i>2009 Forecasted Calendar Month</i>	
	<i>Sales RT{1}</i>	<i>N/A RS{2}</i>	<i>N/A GS{3}</i>	<i>Sales GST</i>	<i>N/A OL/SL</i>
January	35.05%	---	---	42.72%	---
February	34.41%	---	---	43.29%	---
March	34.16%	---	---	43.50%	---
April	34.34%	---	---	44.46%	---
May	36.03%	---	---	46.04%	---
June	39.03%	---	---	47.00%	---
July	40.59%	---	---	46.93%	---
August	40.33%	---	---	46.26%	---
September	38.43%	---	---	46.59%	---
October	36.08%	---	---	46.54%	---
November	34.15%	---	---	45.26%	---
December	34.32%	---	---	43.72%	---

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

**Jersey Central Power & Light
Attachment 2**

Table #3 **Class Usage @ customer**
calendar month sales forecasted for 2009
in MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
January	36,966	874,442	585,615	58,548	9,735	1,565,306
February	37,203	803,480	568,968	56,935	9,771	1,476,357
March	33,646	709,761	567,514	55,816	9,841	1,376,578
April	26,229	609,306	517,283	51,042	9,752	1,213,612
May	20,963	587,006	528,957	51,350	9,642	1,197,918
June	22,084	775,148	612,969	61,133	9,635	1,480,969
July	27,776	1,046,347	672,046	59,981	9,628	1,815,779
August	29,409	1,056,300	683,155	61,452	9,621	1,839,937
September	25,948	890,696	653,084	58,881	9,614	1,638,223
October	19,115	621,120	567,502	53,450	9,607	1,270,794
November	23,375	634,431	546,129	52,721	9,600	1,266,256
December	34,477	785,613	598,916	56,208	9,593	1,484,807
Total	337,190	9,393,651	7,102,138	677,517	116,039	17,626,536

Table #4 **Forwards Prices - Energy Only @ bulk system**
in \$/MWh

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	86.250	101.369	59.556	69.996
February	86.250	101.369	59.556	69.996
March	78.650	92.437	54.308	63.828
April	78.650	92.437	54.308	63.828
May	75.250	88.441	51.960	61.068
June	80.630	95.917	47.209	56.159
July	103.380	122.980	60.529	72.005
August	103.380	122.980	60.529	72.005
September	79.880	93.882	46.770	54.968
October	71.750	84.327	49.543	58.227
November	71.750	84.327	49.543	58.227
December	71.750	84.327	49.543	58.227

Table #5 **Zone-Hub Basis Differential**
Based on 3 Year Average

	On-Peak	Off-Peak
	109%	105%
	109%	105%
	109%	105%
	109%	105%
	109%	105%
	112%	103%
	112%	103%
	112%	103%
	112%	103%
	109%	105%
	109%	105%
	109%	105%

Table #6

Losses	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Loss Factors =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factor =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors from Transmission Nodes =	9.3291%	9.3291%	9.3291%	9.3291%	9.3291%
Expansion Factor to Transmission Nodes =	1.10289	1.10289	1.10289	1.10289	1.10289

{4} The GS and GST units exclude the units associated with the 1000+ kW PLS accounts that will be required to take service under BGS-CIEP

**Jersey Central Power & Light
Attachment 2**

Table #7 **Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs		\$ 107.205	\$ 109.237	\$ 110.993	\$ 109.710	\$ 92.169	
	PJM on pk	\$ 138.547	\$ 138.858	\$ 137.156	\$ 136.565	\$ 136.197	
	PJM off pk	\$ 73.874	\$ 74.241	\$ 73.632	\$ 73.483	\$ 73.499	
Winter - all hrs		\$ 92.526	\$ 93.532	\$ 95.729	\$ 95.173	\$ 85.897	
	PJM on pk	\$ 112.442	\$ 111.760	\$ 111.015	\$ 111.239	\$ 110.945	
	PJM off pk	\$ 74.747	\$ 74.390	\$ 73.977	\$ 74.046	\$ 73.956	
Annual		\$ 97.106	\$ 99.833	\$ 101.363	\$ 100.353	\$ 87.978	
System Total	\$ 100.34						

Table #8 **Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer - all hrs		\$ 11,280	\$ 411,661	\$ 290,941	\$ 26,489	\$ 3,548	\$ 743,918
	PJM on pk	\$ 7,513	\$ 283,413	\$ 211,447	\$ 18,936	\$ 1,561	\$ 522,870
	PJM off pk	\$ 3,767	\$ 128,248	\$ 79,494	\$ 7,553	\$ 1,987	\$ 221,049
Winter - all hrs		\$ 21,463	\$ 526,133	\$ 428,952	\$ 41,502	\$ 6,661	\$ 1,024,711
	PJM on pk	\$ 12,302	\$ 322,024	\$ 292,151	\$ 27,554	\$ 2,777	\$ 656,807
	PJM off pk	\$ 9,161	\$ 204,109	\$ 136,801	\$ 13,948	\$ 3,883	\$ 367,904
Annual		\$ 32,743	\$ 937,794	\$ 719,893	\$ 67,991	\$ 10,209	\$ 1,768,630
System Total	\$ 1,768,630						

**Jersey Central Power & Light
Attachment 2**

Table #9 Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 107,205	\$ 109,237	\$ 110,993	\$ 109,710	\$ 92.169
JCP&L On pk	\$ 148,245			\$ 143,816	
JCP&L Off pk	\$ 80,232			\$ 79,835	
Winter - all hrs	\$ 92,526	\$ 93,532	\$ 95,729	\$ 95,173	\$ 85.897
JCP&L On pk	\$ 114,662			\$ 116,437	
JCP&L Off pk	\$ 80,756			\$ 78,196	
Annual Average System Average	\$ 97.106	\$ 99.833	\$ 101.363	\$ 100.353	\$ 87.978
	\$ 100.34				

Table #10 Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2009; costs are market estimates
in MW

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	BGS-FP TOTAL
Gen Obl - MW	109.5	3,430.3	1,690.7	126.9	0.4	5,357.8
Trans Obl - MW	Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes					
# of Months and Days used in this analysis						
	# of summer days = 122		# of summer months = 4			
	# of winter days = 243		# of winter months = 8			
			total # months = 12			

Transmission charges will be based on Retail Tariff rates for the applicable rate schedules

	Summer	Initial	Adjusted	Summer Total
Generation Capacity cost	\$ 143.51	\$ 143.51	168.666 \$/MW/day	\$ 110,249,114
			168.666 \$/MW/day	Winter Total \$ 219,594,546
				Annual Total \$ 329,843,660

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% Usage
Block 1 (0-600 kWh/m)			51.51%
Block 2 (>600 kWh/m)			48.49%
Differential (Excl. SUT)	0.8652 ¢/kWh		

Table #11 Ancillary Services
forecasted overall annual average

	Initial	Adjusted
	\$ 3.00	3.526 \$/MWh

Table #12 Summary of Obligation Costs Expressed as \$/MWh @ customer

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 3.842	\$ 4.627	\$ 4.615	\$ 3.690	\$ 3.508
Generation Obl \$/MWh - all months	\$ 19.992	\$ 22.481	\$ 14.656	\$ 11.531	\$ 0.212
Generation Obl \$/MWh - Summer - All Hours	\$ 21.415	\$ 18.731	\$ 13.272		\$ 0.214
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 54.000			\$ 23.162	
Generation Obl \$/MWh - Winter - All Hours	\$ 19.347	\$ 24.994	\$ 15.465		\$ 0.211
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 55.735			\$ 26.868	

**Jersey Central Power & Light
Attachment 2**

Table #13 Summary of BGS Unit Costs @ customer

NON-DEMAND RATES

includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 136.40	\$ 136.54	\$ 132.82		\$ 99.83
JCP&L On pk	\$ 210.03			\$ 174.61	
JCP&L Off pk	\$ 88.02			\$ 87.47	
Block 1 (0-600 kWh/m)		\$ 132.34			
Block 2 (>600 kWh/m)		\$ 140.99			
Winter - all hrs	\$ 119.66	\$ 127.09	\$ 119.75		\$ 93.56
JCP&L On pk	\$ 178.18			\$ 150.94	
JCP&L Off pk	\$ 88.54			\$ 85.83	
Annual -all hrs	\$ 124.88	\$ 130.88	\$ 124.58	\$ 119.52	\$ 95.64

DEMAND RATES

includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh

JCP&L does not have a demand component in its BGS charges

**Jersey Central Power & Light
Attachment 2**

Table #14

**Units @ Customer
in kWh**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	4,994,287		2,621,254,000		38,498,000	
JCP&L On pk	39,748,575			112,741,946		
JCP&L Off pk	60,473,966			128,705,054		
Block 1 (0-600 kWh/m)		1,941,110,000				
Block 2 (>600 kWh/m)		1,827,381,000				
Winter - all hrs	12,460,837	5,625,160,000	4,480,884,000		77,541,000	
JCP&L On pk	76,187,857			193,584,933		
JCP&L Off pk	143,324,930			242,485,068		
Summer Total	105,216,828	3,768,491,000	2,621,254,000	241,447,000	38,498,000	6,774,906,828
Winter Total	<u>231,973,624</u>	<u>5,625,160,000</u>	<u>4,480,884,000</u>	<u>436,070,000</u>	<u>77,541,000</u>	<u>10,851,628,624</u>
Annual Total	337,190,452	9,393,651,000	7,102,138,000	677,517,000	116,039,000	17,626,535,452

Table #15

Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 681		\$ 348,161		\$ 3,843	
JCP&L On pk	\$ 8,348			\$ 19,686		
JCP&L Off pk	\$ 5,323			\$ 11,257		
Block 1 (0-600 kWh/m)		\$ 256,890				
Block 2 (>600 kWh/m)		\$ 257,649				
Winter - all hrs	\$ 1,491	\$ 714,929	\$ 536,591		\$ 7,255	
JCP&L On pk	\$ 13,575			\$ 29,219		
JCP&L Off pk	\$ 12,690			\$ 20,812		
Total Costs - in \$1000						
Summer	\$ 14,352	\$ 514,539	\$ 348,161	\$ 30,943	\$ 3,843	\$ 911,839
Winter	\$ 27,756	\$ 714,929	\$ 536,591	\$ 50,031	\$ 7,255	\$ 1,336,562
Total	\$ 42,108	\$ 1,229,468	\$ 884,752	\$ 80,974	\$ 11,098	\$ 2,248,401
% of Annual Total \$						
Summer	34%	42%	39%	38%	35%	41%
Winter	66%	58%	61%	62%	65%	59%

**Jersey Central Power & Light
Attachment 2**

Table #16 Customer & Bulk System Costs

Customer Costs Per Allocation Matrix

Grand Total Cost in \$1000 = \$ 2,248,401

Seasonal Units	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
Summer	117,632	4,213,170	2,930,560	269,938	43,041	7,574,341
Winter	259,346	6,288,924	5,009,625	487,526	86,691	12,132,112

Supplier Payment in \$1000	Seasonal	Price per MWH	Units	Payment
Post Transition Year 6 Bid price	Factor	114.090		
Seasonally Adjusted Summer Payment	1.0552	120.388	7,574,341	\$ 911,860
Seasonally Adjusted Winter Payment	0.9656	110.165	12,132,112	\$ 1,336,534
Total Supplier Payment				\$ 2,248,394

Table #17 Adjustment Factor Calculation

Allocated Customer Costs on a per MWh basis (on bulk system MWhs):	Seasonal Supplier Payment	Adjustment Factor Calculation	Adjustment Factor
Summer \$ 120.385 per MWh @ bulk system	120.388	1.0000	1.18959
Winter \$ 110.167 per MWh @ bulk system	110.165	1.0000	1.17529

Assumptions:

- Generation Capacity Cost = \$ 168.67 per MW day Summer
- \$ 168.67 per MW day Winter
- Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
- Analysis time period = 4 summer months
- 8 winter months
- Ancillary Services = \$ 3.53 per MWh
- Energy Costs = Based on Forwards prices @ PJM West corrected for hub-zone basis differential (both based on the figures used to derive the Bid Factors and establish retail rates in Post Transition Year 3) and adjusted to match the total cost at the actual supplier bid price.
- Usage patterns = forecasted 2009 energy use by class based upon PJM on/off % from 2006 through 2008 class load profiles
- JCP&L billing on/off % from 2009 forecasted billing determinants
- Obligations = class totals for 2009 excluding accounts required to take service under BGS-CIEP as of June 1, 2010
- Losses = Consistent with Losses as approved by the BPU
- PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
- JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
- GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
- The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.

**Jersey Central Power & Light
Attachment 2
2010 BGS Auction Cost and Bid Factor Tables**

2009/2010 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Development of Post Transition Period BGS Cost and Bid Factors

Adjusted to Billing Time Periods

Table #1

% Usage During PJM On-Peak Period

*Based on an average of 2006 through 2008 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays*

(data rounded to nearest .01 %)	Profile Meter Data			Profile Meter	Other Analysis
	RT{1}	RS{2}	GS{3}	Data GST	OL/SL
January	48.98%	52.39%	58.68%	57.34%	33.39%
February	47.13%	50.37%	57.40%	55.89%	30.48%
March	45.25%	49.03%	57.87%	55.84%	32.65%
April	45.09%	49.23%	57.75%	55.76%	29.79%
May	49.05%	54.41%	60.36%	59.13%	31.06%
June	50.90%	53.71%	58.60%	57.75%	29.29%
July	52.82%	54.59%	58.71%	56.93%	28.73%
August	53.67%	56.14%	59.97%	58.14%	30.16%
September	48.29%	51.70%	57.91%	56.86%	30.93%
October	47.94%	52.89%	60.98%	58.80%	34.53%
November	47.06%	51.38%	59.03%	56.72%	33.20%
December	47.19%	50.50%	57.86%	55.12%	33.22%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

(data rounded to nearest .01 %)	2009 Forecasted Calendar Month Sales			2009 Forecasted Calendar Month Sales	
	RT{1}	N/A RS{2}	N/A GS{3}	GST	N/A OL/SL
January	35.05%	---	---	42.72%	---
February	34.41%	---	---	43.29%	---
March	34.16%	---	---	43.50%	---
April	34.34%	---	---	44.46%	---
May	36.03%	---	---	46.04%	---
June	39.03%	---	---	47.00%	---
July	40.59%	---	---	46.93%	---
August	40.33%	---	---	46.26%	---
September	38.43%	---	---	46.59%	---
October	36.08%	---	---	46.54%	---
November	34.15%	---	---	45.26%	---
December	34.32%	---	---	43.72%	---

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

**Jersey Central Power & Light
Attachment 2**

Table #3 **Class Usage @ customer**
calendar month sales forecasted for 2009
in MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
January	36,966	874,442	585,615	58,548	9,735	1,565,306
February	37,203	803,480	568,968	56,935	9,771	1,476,357
March	33,646	709,761	567,514	55,816	9,841	1,376,578
April	26,229	609,306	517,283	51,042	9,752	1,213,612
May	20,963	587,006	528,957	51,350	9,642	1,197,918
June	22,084	775,148	612,969	61,133	9,635	1,480,969
July	27,776	1,046,347	672,046	59,981	9,628	1,815,779
August	29,409	1,056,300	683,155	61,452	9,621	1,839,937
September	25,948	890,696	653,084	58,881	9,614	1,638,223
October	19,115	621,120	567,502	53,450	9,607	1,270,794
November	23,375	634,431	546,129	52,721	9,600	1,266,256
December	34,477	785,613	598,916	56,208	9,593	1,484,807
Total	337,190	9,393,651	7,102,138	677,517	116,039	17,626,536

Table #4 **Forwards Prices - Energy Only @ bulk system**
in \$/MWh

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	122.670	95.273	85.230	66.195
February	122.670	95.273	85.230	66.195
March	111.500	86.598	77.469	60.167
April	94.000	73.006	65.310	50.724
May	92.960	72.198	64.587	50.162
June	105.350	82.470	61.296	47.984
July	138.060	108.076	80.328	62.882
August	148.500	116.249	86.402	67.637
September	112.580	87.436	65.503	50.874
October	107.000	83.103	74.342	57.738
November	98.460	76.470	68.409	53.131
December	106.000	82.326	73.648	57.199

Table #5 **Zone-Hub Basis Differential**
Based on 3 Year Average

	On-Peak	Off-Peak
	113%	109%
	113%	109%
	113%	109%
	113%	109%
	113%	109%
	107%	102%
	107%	102%
	107%	102%
	107%	102%
	113%	109%
	113%	109%
	113%	109%

Table #6

Losses	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Loss Factors =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factor =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors from Transmission Nodes =	9.0973%	9.0973%	9.0973%	9.0973%	9.0973%
Expansion Factor to Transmission Nodes =	1.10008	1.10008	1.10008	1.10008	1.10008

(4) The GS and GST units exclude the units associated with the 1000+ kW PLS accounts that will be required to take service under BGS-CIEP

**Jersey Central Power & Light
Attachment 2**

Table #7 **Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	
Summer - all hrs		\$ 93.839	\$ 95.519	\$ 96.838	\$ 95.648	\$ 80.964	
	PJM on pk	\$ 120.184	\$ 120.415	\$ 118.796	\$ 118.150	\$ 117.921	
	PJM off pk	\$ 65.822	\$ 66.104	\$ 65.483	\$ 65.294	\$ 65.293	
Winter - all hrs		\$ 88.480	\$ 89.349	\$ 91.119	\$ 90.553	\$ 81.757	
	PJM on pk	\$ 107.092	\$ 105.330	\$ 105.321	\$ 105.455	\$ 105.201	
	PJM off pk	\$ 71.867	\$ 71.517	\$ 70.908	\$ 70.958	\$ 70.581	
Annual		\$ 90.152	\$ 91.825	\$ 93.230	\$ 92.369	\$ 81.494	
System Total	\$ 92.31						

Table #8 **Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
Summer - all hrs		\$ 9,873	\$ 359,963	\$ 253,838	\$ 23,094	\$ 3,117	\$ 649,885
	PJM on pk	\$ 6,517	\$ 245,771	\$ 183,142	\$ 16,383	\$ 1,352	\$ 453,164
	PJM off pk	\$ 3,356	\$ 114,191	\$ 70,696	\$ 6,711	\$ 1,765	\$ 196,720
Winter - all hrs		\$ 20,525	\$ 502,605	\$ 408,291	\$ 39,488	\$ 6,340	\$ 977,249
	PJM on pk	\$ 11,717	\$ 306,378	\$ 277,165	\$ 26,121	\$ 2,633	\$ 624,015
	PJM off pk	\$ 8,808	\$ 196,227	\$ 131,126	\$ 13,367	\$ 3,706	\$ 353,234
Annual		\$ 30,399	\$ 862,568	\$ 662,129	\$ 62,582	\$ 9,456	\$ 1,627,133
System Total	\$ 1,627,133						

**Jersey Central Power & Light
Attachment 2**

Table #9 Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 93.839	\$ 95.519	\$ 96.838	\$ 95.648	\$ 80.964
JCP&L On pk	\$ 128.336			\$ 124.225	
JCP&L Off pk	\$ 71.166			\$ 70.616	
Winter - all hrs	\$ 88.480	\$ 89.349	\$ 91.119	\$ 90.553	\$ 81.757
JCP&L On pk	\$ 112.133			\$ 110.277	
JCP&L Off pk	\$ 75.905			\$ 74.807	
Annual Average System Average	\$ 90.152	\$ 91.825	\$ 93.230	\$ 92.369	\$ 81.494
	\$ 92.31				

Table #10 Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2009; costs are market estimates
in MW

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	BGS-FP TOTAL
Gen Obl - MW	109.5	3,430.3	1,690.7	126.9	0.4	5,357.8
Trans Obl - MW	Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes					
# of Months and Days used in this analysis						
	# of summer days =	122	# of summer months =	4		
	# of winter days =	243	# of winter months =	8		
			total # months =	12		
Transmission charges will be based on Retail Tariff rates for the applicable rate schedules						

	Initial	Adjusted	
Generation Capacity cost	Summer \$ 188.55	146.439 \$/MW/day	Summer Total \$ 95,720,358
	Winter \$ 188.55	146.439 \$/MW/day	Winter Total \$ 190,656,124
			Annual Total \$ 286,376,482

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% usage
Block 1 (0-600 kWh/m)			51.51%
Block 2 (>600 kWh/m)			48.49%
Differential (Excl. SUT)	0.8652 ¢/kWh		

Table #11 Ancillary Services
forecasted overall annual average

	Initial	Adjusted
	\$ 3.00	2.330 \$/MWh

Table #12 Summary of Obligation Costs Expressed as \$/MWh @ customer

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 3.842	\$ 4.627	\$ 4.615	\$ 3.690	\$ 3.508
Generation Obl \$/MWh - all months	\$ 17.358	\$ 19.519	\$ 12.724	\$ 10.011	\$ 0.184
Generation Obl \$/MWh - Summer - All Hours	\$ 18.593	\$ 16.262	\$ 11.523		\$ 0.186
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 46.884			\$ 20.109	
Generation Obl \$/MWh - Winter - All Hours	\$ 16.797	\$ 21.700	\$ 13.427		\$ 0.184
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 48.390			\$ 23.327	

**Jersey Central Power & Light
Attachment 2**

Table #13 Summary of BGS Unit Costs @ customer

NON-DEMAND RATES

includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Summer - all hrs	\$ 118.88	\$ 119.01	\$ 115.58		\$ 87.26
JCP&L On pk	\$ 181.67			\$ 150.63	
JCP&L Off pk	\$ 77.61			\$ 76.91	
Block 1 (0-600 kWh/m)		\$ 114.82			
Block 2 (>600 kWh/m)		\$ 123.47			
Winter - all hrs	\$ 111.72	\$ 118.28	\$ 111.77		\$ 88.05
JCP&L On pk	\$ 166.97			\$ 139.90	
JCP&L Off pk	\$ 82.35			\$ 81.10	
Annual -all hrs	\$ 113.96	\$ 118.57	\$ 113.17	\$ 108.68	\$ 87.79

DEMAND RATES

includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh

JCP&L does not have a demand component in its BGS charges

**Jersey Central Power & Light
Attachment 2**

Table #14

**Units @ Customer
in kWh**

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs	4,994,287		2,621,254,000			38,498,000
JCP&L On pk	39,748,575			112,741,946		
JCP&L Off pk	60,473,966			128,705,054		
Block 1 (0-600 kWh/m)		1,941,110,000				
Block 2 (>600 kWh/m)		1,827,381,000				
Winter - all hrs	12,460,837	5,625,160,000	4,480,884,000			77,541,000
JCP&L On pk	76,187,857			193,584,933		
JCP&L Off pk	143,324,930			242,485,068		
Summer Total	105,216,828	3,768,491,000	2,621,254,000	241,447,000		38,498,000
Winter Total	<u>231,973,624</u>	<u>5,625,160,000</u>	<u>4,480,884,000</u>	<u>436,070,000</u>		<u>77,541,000</u>
Annual Total	337,190,452	9,393,651,000	7,102,138,000	677,517,000	116,039,000	17,626,535,452

Table #15

Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 594		\$ 302,968		\$ 3,359	
JCP&L On pk	\$ 7,221			\$ 16,982		
JCP&L Off pk	\$ 4,694			\$ 9,899		
Block 1 (0-600 kWh/m)		\$ 222,874				
Block 2 (>600 kWh/m)		\$ 225,626				
Winter - all hrs	\$ 1,392	\$ 665,352	\$ 500,807		\$ 6,828	
JCP&L On pk	\$ 12,721			\$ 27,082		
JCP&L Off pk	\$ 11,803			\$ 19,666		
Total Costs - in \$1000						
Summer	\$ 12,508	\$ 448,500	\$ 302,968	\$ 26,881	\$ 3,359	\$ 794,218
Winter	\$ 25,916	\$ 665,352	\$ 500,807	\$ 46,748	\$ 6,828	\$ 1,245,651
Total	\$ 38,425	\$ 1,113,852	\$ 803,775	\$ 73,629	\$ 10,187	\$ 2,039,868
% of Annual Total \$						
Summer	33%	40%	38%	37%	33%	39%
Winter	67%	60%	62%	63%	67%	61%

**Jersey Central Power & Light
Attachment 2**

Table #16 Customer & Bulk System Costs

Customer Costs Per Allocation Matrix

Grand Total Cost in \$1000 = \$ 2,039,868

Seasonal Units	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
Summer	117,632	4,213,170	2,930,560	269,938	43,041	7,574,341
Winter	259,346	6,288,924	5,009,625	487,526	86,691	12,132,112

Supplier Payment in \$1000	Seasonal	Price per MWh	Units	Payment
Post Transition Year 7 Bid price	<u>Factor</u>	103.510		
Seasonally Adjusted Summer Payment	1.0130	104.856	7,574,341	\$ 794,215
Seasonally Adjusted Winter Payment	0.9919	102.672	12,132,112	\$ 1,245,628
Total Supplier Payment				\$ 2,039,843

Table #17 Adjustment Factor Calculation

Allocated Customer Costs on a per MWh basis (on bulk system MWhs):	Seasonal Supplier Payment	Adjustment Factor Calculation	Adjustment Factor
Summer \$ 104.856 per MWh @ bulk system	104.856	1.0000	0.78282
Winter \$ 102.674 per MWh @ bulk system	102.672	1.0000	0.77666

Assumptions:

- Generation Capacity Cost = \$ 146.44 per MW day Summer
- \$ 146.44 per MW day Winter
- Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
- Analysis time period = 4 summer months
- 8 winter months
- Ancillary Services = \$ 2.33 per MWh
- Energy Costs = Based on Forwards prices @ PJM West corrected for hub-zone basis differential (both based on the figures used to derive the Bid Factors and establish retail rates in Post Transition Year 4) and adjusted to match the total cost at the actual supplier bid price.
- Usage patterns = forecasted 2009 energy use by class based upon PJM on/off % from 2006 through 2008 class load profiles
- JCP&L billing on/off % from 2009 forecasted billing determinants
- Obligations = class totals for 2009 excluding accounts required to take service under BGS-CIEP as of June 1, 2010
- Losses = Consistent with Losses as approved by the BPU
- PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
- JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
- GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
- The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.

Jersey Central Power & Light
Attachment 2
2010 BGS Auction Cost and Bid Factor Tables

2010/2011 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods

Table #1

% Usage During PJM On-Peak Period

Based on an average of 2006 through 2008 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays

	Profile Meter		Profile Meter		Other Analysis OL/SL
	Data RT(1)	Profile Meter Data RS(2)	Profile Meter Data GS(3)	Data GST	
<i>(data rounded to nearest .01 %)</i>					
January	48.98%	52.39%	58.68%	57.34%	33.39%
February	47.13%	50.37%	57.40%	55.89%	30.48%
March	45.25%	49.03%	57.87%	55.84%	32.65%
April	45.09%	49.23%	57.75%	55.76%	29.79%
May	49.05%	54.41%	60.36%	59.13%	31.06%
June	50.90%	53.71%	58.60%	57.75%	29.29%
July	52.82%	54.59%	58.71%	56.93%	28.73%
August	53.67%	56.14%	59.97%	58.14%	30.16%
September	48.29%	51.70%	57.91%	56.86%	30.93%
October	47.94%	52.89%	60.98%	58.80%	34.53%
November	47.06%	51.38%	59.03%	56.72%	33.20%
December	47.19%	50.50%	57.86%	55.12%	33.22%

Table #2

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

	2009 Forecasted			2009 Forecasted		
	Sales Calendar Month RT(1)	N/A RS(2)	N/A GS(3)	Sales Calendar Month GST	N/A OL/SL	
<i>(data rounded to nearest .01 %)</i>						
January	35.05%	---	---	42.72%	---	
February	34.41%	---	---	43.29%	---	
March	34.16%	---	---	43.50%	---	
April	34.34%	---	---	44.46%	---	
May	36.03%	---	---	46.04%	---	
June	39.03%	---	---	47.00%	---	
July	40.59%	---	---	46.93%	---	
August	40.33%	---	---	46.26%	---	
September	38.43%	---	---	46.59%	---	
October	36.08%	---	---	46.54%	---	
November	34.15%	---	---	45.26%	---	
December	34.32%	---	---	43.72%	---	

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

**Jersey Central Power & Light
Attachment 2**

Table #3 Class Usage @ customer
calendar month sales forecasted for 2009
in MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
January	36,966	874,442	585,615	58,548	9,735	1,565,306
February	37,203	803,480	568,968	56,935	9,771	1,476,357
March	33,646	709,761	567,514	55,816	9,841	1,376,578
April	26,229	609,306	517,283	51,042	9,752	1,213,612
May	20,963	587,006	528,957	51,350	9,642	1,197,918
June	22,084	775,148	612,969	61,133	9,635	1,480,969
July	27,776	1,046,347	672,046	59,981	9,628	1,815,779
August	29,409	1,056,300	683,155	61,452	9,621	1,839,937
September	25,948	890,696	653,084	58,881	9,614	1,638,223
October	19,115	621,120	567,502	53,450	9,607	1,270,794
November	23,375	634,431	546,129	52,721	9,600	1,266,256
December	34,477	785,613	598,916	56,208	9,593	1,484,807
Total	337,190	9,393,651	7,102,138	677,517	116,039	17,626,536

Table #4 Forwards Prices - Energy Only @ bulk system
in \$/MWh

	On-Peak	Off/On Pk LMP ratio	Off-Peak
January	71.00	0.7174	50.938
February	71.00	0.7174	50.938
March	61.75	0.7174	44.302
April	61.75	0.7174	44.302
May	57.25	0.7174	41.073
June	61.38	0.6284	38.571
July	75.44	0.6284	47.406
August	75.44	0.6284	47.406
September	58.85	0.6284	36.981
October	56.88	0.7174	40.808
November	56.88	0.7174	40.808
December	56.88	0.7174	40.808

Table #5 Zone-Hub Basis Differential
Based on 3 Year Average

	On-Peak	Off-Peak
January	115%	112%
February	115%	112%
March	115%	112%
April	115%	112%
May	115%	112%
June	109%	104%
July	109%	104%
August	109%	104%
September	109%	104%
October	115%	112%
November	115%	112%
December	115%	112%

Table #6

Losses	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Loss Factors @ Bulk =	10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
Expansion Factors @ Bulk =	1.11800	1.11800	1.11800	1.11800	1.11800
Loss Factors @ Transmission Node =	9.0760%	9.0760%	9.0760%	9.0760%	9.0760%
Expansion Factors @ Transmission Node =	1.09982	1.09982	1.09982	1.09982	1.09982

{4} The GS and GST units exclude the units associated with the 1000+ kW PLS accounts that will be required to take service under BGS-CIEP

**Jersey Central Power & Light
Attachment 2**

Table #7 **Summary of Average BGS Energy Only Unit Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses - PJM time periods
in \$/MWh

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
Summer - all hrs		\$ 67,216	\$ 68,294	\$ 69,193	\$ 68,534	\$ 59,364	
	PJM on pk	\$ 83,581	\$ 83,748	\$ 82,854	\$ 82,562	\$ 82,344	
	PJM off pk	\$ 49,812	\$ 50,034	\$ 49,685	\$ 49,609	\$ 49,620	
Winter - all hrs		\$ 67,893	\$ 68,416	\$ 69,625	\$ 69,299	\$ 63,251	
	PJM on pk	\$ 80,798	\$ 80,187	\$ 79,462	\$ 79,648	\$ 79,393	
	PJM off pk	\$ 56,373	\$ 56,055	\$ 55,626	\$ 55,691	\$ 55,556	
Annual		\$ 67,681	\$ 68,367	\$ 69,466	\$ 69,026	\$ 61,962	
System Total	\$ 68.78						

Table #8 **Summary of Average BGS Energy Only Costs @ customer - PJM Time Periods**
based on Forwards prices corrected for zone-hub differential and losses
in \$1000

		RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	Total
Summer - all hrs		\$ 7,072	\$ 257,364	\$ 181,372	\$ 16,547	\$ 2,285	\$ 464,641
	PJM on pk	\$ 4,532	\$ 170,932	\$ 127,731	\$ 11,448	\$ 944	\$ 315,588
	PJM off pk	\$ 2,540	\$ 86,432	\$ 53,640	\$ 5,099	\$ 1,341	\$ 149,052
Winter - all hrs		\$ 15,749	\$ 384,853	\$ 311,983	\$ 30,219	\$ 4,905	\$ 747,709
	PJM on pk	\$ 8,840	\$ 231,052	\$ 209,116	\$ 19,729	\$ 1,987	\$ 470,723
	PJM off pk	\$ 6,909	\$ 153,802	\$ 102,867	\$ 10,491	\$ 2,917	\$ 276,986
Annual		\$ 22,822	\$ 642,217	\$ 493,354	\$ 46,766	\$ 7,190	\$ 1,212,350
System Total	\$ 1,212,350						

**Jersey Central Power & Light
Attachment 2**

Table #9 Summary of Average BGS Energy Only Unit Costs @ customer - JCP&L Time Periods
based on Forwards prices corrected for zone-hub differential and losses - JCP&L billing time periods
in \$/MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 67,216	\$ 68,294	\$ 69,193	\$ 68,534	\$ 59,364
JCP&L On pk	\$ 88,646			\$ 86,350	
JCP&L Off pk	\$ 53,131			\$ 52,927	
Winter - all hrs	\$ 67,893	\$ 68,416	\$ 69,625	\$ 69,299	\$ 63,251
JCP&L On pk	\$ 85,847			\$ 82,996	
JCP&L Off pk	\$ 58,347			\$ 58,364	
Annual Average System Average	\$ 67,681	\$ 68,367	\$ 69,466	\$ 69,026	\$ 61,962
	\$ 68.78				

Table #10 Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2009; costs are market estimates
in MW

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	BGS-FP TOTAL
Gen Obl - MW	109.5	3,430.3	1,690.7	126.9	0.4	5,357.8
Trans Obl - MW	Not applicable for JCP&L - Transmission rates are based on Retail Tariff rates for the respective rate classes					
# of Months and Days used in this analysis	# of summer days = 122		# of summer months = 4			
	# of winter days = 243		# of winter months = 8			
			total # months = 12			

Transmission charges will be based on Retail Tariff rates for the applicable rate schedules

Generation Capacity cost	Summer	\$ 174.29 \$/MWh/day	Summer Total	\$ 113,925,261
	Winter	\$ 174.29 \$/MWh/day	Winter Total	\$ 226,916,708
			Annual Total	\$ 340,841,969

Residential summer BGS + Transmission charge differential
per BPU and summer blocking percentages

	Charges	Rate	% usage
Block 1 (0-600 kWh/m)			51.51%
Block 2 (>600 kWh/m)			48.49%
Differential (Excl. SUT)	0.8652 ¢/kWh		

Table #11 Ancillary Services
forecasted overall annual average

\$ 3.00 \$/MWh

Table #12 Summary of Obligation Costs Expressed as \$/MWh @ customer

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Transmission Obl - all months	\$ 3,842	\$ 4,627	\$ 4,615	\$ 3,690	\$ 3,508
Generation Obl \$/MWh - all months	\$ 20,659	\$ 23,231	\$ 15,144	\$ 11,916	\$ 0,219
Generation Obl \$/MWh - Summer - All Hours	\$ 22,129	\$ 19,355	\$ 13,715	\$	\$ 0,221
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 55,801			\$ 23,934	
Generation Obl \$/MWh - Winter - All Hours	\$ 19,992	\$ 25,827	\$ 15,980	\$	\$ 0,218
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 57,593			\$ 27,764	

**Jersey Central Power & Light
Attachment 2**

Table #13 Summary of BGS Unit Costs @ customer

NON-DEMAND RATES

includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	\$ 96.54	\$ 95.63	\$ 90.88		\$ 66.45
JCP&L On pk	\$ 151.64			\$ 117.33	
JCP&L Off pk	\$ 60.33			\$ 59.97	
Block 1 (0-600 kWh/m)		\$ 91.43			
Block 2 (>600 kWh/m)		\$ 100.09			
Winter - all hrs	\$ 95.08	\$ 102.22	\$ 93.57		\$ 70.33
JCP&L On pk	\$ 150.64			\$ 117.80	
JCP&L Off pk	\$ 65.54			\$ 65.41	
Annual -all hrs	\$ 95.54	\$ 99.58	\$ 92.58	\$ 87.99	\$ 69.04

DEMAND RATES

includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh

JCP&L does not have a demand component in its BGS charges

**Jersey Central Power & Light
Attachment 2**

Table #14

**Units @ Customer
in kWh**

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	
Summer - all hrs	4,994,287		2,621,254,000			38,498,000
JCP&L On pk	39,748,575			112,741,946		
JCP&L Off pk	60,473,966			128,705,054		
Block 1 (0-600 kWh/m)		1,941,110,000				
Block 2 (>600 kWh/m)		1,827,381,000				
Winter - all hrs	12,460,837	5,625,160,000	4,480,884,000			77,541,000
JCP&L On pk	76,187,857			193,584,933		
JCP&L Off pk	143,324,930			242,485,068		
Summer Total	105,216,828	3,768,491,000	2,621,254,000	241,447,000	38,498,000	6,774,906,828
Winter Total	<u>231,973,624</u>	<u>5,625,160,000</u>	<u>4,480,884,000</u>	<u>436,070,000</u>	<u>77,541,000</u>	<u>10,851,628,624</u>
Annual Total	337,190,452	9,393,651,000	7,102,138,000	677,517,000	116,039,000	17,626,535,452

Table #15

Summary of Total Estimated BGS Costs by Season

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 482		\$ 238,211		\$ 2,558	
JCP&L On pk	\$ 6,028			\$ 13,228		
JCP&L Off pk	\$ 3,648			\$ 7,719		
Block 1 (0-600 kWh/m)		\$ 177,484				
Block 2 (>600 kWh/m)		\$ 182,896				
Winter - all hrs	\$ 1,185	\$ 575,029	\$ 419,297		\$ 5,454	
JCP&L On pk	\$ 11,477			\$ 22,805		
JCP&L Off pk	\$ 9,394			\$ 15,860		
Total Costs - in \$1000						
Summer	\$ 10,158	\$ 360,380	\$ 238,211	\$ 20,946	\$ 2,558	\$ 632,253
Winter	\$ 22,055	\$ 575,029	\$ 419,297	\$ 38,665	\$ 5,454	\$ 1,060,500
Total	\$ 32,213	\$ 935,409	\$ 657,507	\$ 59,612	\$ 8,012	\$ 1,692,754
% of Annual Total \$						
Summer	32%	39%	36%	35%	32%	37%
Winter	68%	61%	64%	65%	68%	63%

**Jersey Central Power & Light
Attachment 2**

Table #16 & Table #17

Not Applicable to 2010/2011 BGS Supply Period

Table #18 Bulk System Costs

ALL RATES

Grand Total Cost in \$1000 = \$ 1,692,754
All-In Average costs @ bulk system = \$ 85.90 per MWh at bulk system (per bulk system metered MWh)

Table #19 Seasonal Payment Factors

If total \$ were split on a per MWh basis (on bulk nodes MWhs):		<u>Ratio to All-In Cost (rounded to 4 decimal places)</u>	
Summer	\$ 83.47 per MWh @ bulk system	Summer	0.9718
Winter	\$ 87.41 per MWh @ bulk system	Winter	1.0176

Assumptions:

Generation Capacity Cost = \$ 174.29 per MW day Summer
 \$ 174.29 per MW day Winter
 Transmission cost = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
 Analysis time period = 4 summer months
 8 winter months
 Ancillary Services = \$ 3.00 per MWh
 Energy Costs = based on 6/10 to 5/11 Forwards @ PJM West corrected for hub-zone basis differential
 Usage patterns = forecasted 2009 energy use by class based upon PJM on/off % from 2006 through 2008 class load profiles
 JCP&L billing on/off % from 2009 forecasted billing determinants
 Obligations = class totals for 2009 excluding accounts required to take service under BGS-CIEP as of June 1, 2010
 Loss = Consistent with Losses as approved by the BPU
 PJM Marginal Losses = PJM's calculated mean value of hourly marginal loss factor
 PJM Time Periods = PJM trading time periods - 7 AM to 11 PM weekdays, local time, excluding NERC
 holidays - New Year's, Memorial, 4th of July, Labor Day, Thanksgiving & Christmas
 JCP&L Billing time periods = RT On-peak hours are 8 am to 8 pm Eastern Standard Time, Monday through Friday.
 GST On-peak hours are 8 am to 8 pm prevailing time, Monday through Friday.
 The Holidays identified by PJM are not excluded from the RT or GST Billing On-Peak kWh.

**Jersey Central Power & Light
Attachment 2
2010 BGS Auction Cost and Bid Factor Tables**

BGS-FP Composite Cost Allocation

Table #C1	Post Transition Year 6 Costs	Size of Tranches = 27.27%					
	in \$1,000's						
	Total Costs by Rate - in \$1000						
	Summer - all hrs	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
		\$ 594		\$ 302,968		\$ 3,359	
	JCP&L On pk	\$ 7,221			\$ 16,982		
	JCP&L Off pk	\$ 4,694			\$ 9,899		
	Block 1 (0-600 kWh/m)		\$ 222,874				
	Block 2 (>600 kWh/m)		\$ 225,626				
	Winter - all hrs	\$ 1,392	\$ 665,352	\$ 500,807		\$ 6,828	
	JCP&L On pk	\$ 12,721			\$ 27,082		
	JCP&L Off pk	\$ 11,803			\$ 19,666		
	Total Costs - in \$1000						
	Summer	\$ 12,508	\$ 448,500	\$ 302,968	\$ 26,881	\$ 3,359	\$ 794,218
	Winter	\$ 25,916	\$ 665,352	\$ 500,807	\$ 46,748	\$ 6,828	\$ 1,245,651
	Total	\$ 38,425	\$ 1,113,852	\$ 803,775	\$ 73,629	\$ 10,187	\$ 2,039,868

Table #C2	Post Transition Year 7 Costs	Size of Tranches = 38.64%					
	in \$1,000's						
	Total Costs by Rate - in \$1000						
	Summer - all hrs	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL	
		\$ 681		\$ 348,161		\$ 3,843	
	JCP&L On pk	\$ 8,348			\$ 19,686		
	JCP&L Off pk	\$ 5,323			\$ 11,257		
	Block 1 (0-600 kWh/m)		\$ 256,890				
	Block 2 (>600 kWh/m)		\$ 257,649				
	Winter - all hrs	\$ 1,491	\$ 714,929	\$ 536,591		\$ 7,255	
	JCP&L On pk	\$ 13,575			\$ 29,219		
	JCP&L Off pk	\$ 12,690			\$ 20,812		
	Total Costs - in \$1000						
	Summer	\$ 14,352	\$ 514,539	\$ 348,161	\$ 30,943	\$ 3,843	\$ 911,839
	Winter	\$ 27,756	\$ 714,929	\$ 536,591	\$ 50,031	\$ 7,255	\$ 1,336,562
	Total	\$ 42,108	\$ 1,229,468	\$ 884,752	\$ 80,974	\$ 11,098	\$ 2,248,401

{1} For BGS purposes the RT rate class includes the RS and GS rate class Off-Peak (OPWH) and Controlled Water Heating (CTWH) provisions. The RT rate class also includes the summer billing month RGT rate class usage. OPWH and CTWH is billed on the average RT rates, while RT and Summer RGT use is billed at on-peak and off-peak rates.

{2} For BGS purposes the RS rate class excludes the Off-Peak and Controlled Water Heating provisions and includes the winter billing month RGT rate class usage

{3} For BGS purposes the GS rate class excludes the Off-Peak and Controlled Water Heating provisions

{4} The GS and GST units exclude the units associated with the 1000+ kW PLS accounts that will be required to take service under BGS-CIEP

Jersey Central Power & Light
Attachment 2
BGS Post Transition Composite Cost Allocation

Table #C3 **Post Transition Year 8 Costs**
in \$1,000's **Size of Tranches = 34.09%**

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 482		\$ 238,211		\$ 2,558	
JCP&L On pk	\$ 6,028			\$ 13,228		
JCP&L Off pk	\$ 3,648			\$ 7,719		
Block 1 (0-600 kWh/m)		\$ 177,484				
Block 2 (>600 kWh/m)		\$ 182,896				
Winter - all hrs	\$ 1,185	\$ 575,029	\$ 419,297		\$ 5,454	
JCP&L On pk	\$ 11,477			\$ 22,805		
JCP&L Off pk	\$ 9,394			\$ 15,860		
Total Costs - in \$1000						
Summer	\$ 10,158	\$ 360,380	\$ 238,211	\$ 20,946	\$ 2,558	\$ 632,253
Winter	\$ 22,055	\$ 575,029	\$ 419,297	\$ 38,665	\$ 5,454	\$ 1,060,500
Total	\$ 32,213	\$ 935,409	\$ 657,507	\$ 59,612	\$ 8,012	\$ 1,692,754

Table #C4 **Composite (Tranche Weighted) Costs**
in \$1,000's

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 589		\$ 298,353		\$ 3,273	
JCP&L On pk	\$ 7,250			\$ 16,747		
JCP&L Off pk	\$ 4,580			\$ 9,680		
Block 1 (0-600 kWh/m)		\$ 220,543				
Block 2 (>600 kWh/m)		\$ 223,432				
Winter - all hrs	\$ 1,360	\$ 653,715	\$ 486,845		\$ 6,524	
JCP&L On pk	\$ 12,627			\$ 26,450		
JCP&L Off pk	\$ 11,324			\$ 18,811		
Total Costs - in \$1000						
Summer	\$ 12,419	\$ 443,974	\$ 298,353	\$ 26,427	\$ 3,273	\$ 784,447
Winter	\$ 25,311	\$ 653,715	\$ 486,845	\$ 45,261	\$ 6,524	\$ 1,217,656
Total	\$ 37,730	\$ 1,097,689	\$ 785,198	\$ 71,689	\$ 9,797	\$ 2,002,103

**Jersey Central Power & Light
Attachment 2
BGS Post Transition Composite Cost Allocation**

Table #C5

Units @ Customer
Forecasted 2009 in kWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	
Summer - all hrs	4,994,287		2,621,254,000			38,498,000
JCP&L On pk	39,748,575			112,741,946		
JCP&L Off pk	60,473,966			128,705,054		
Block 1 (0-600 kWh/m)		1,941,110,000				
Block 2 (>600 kWh/m)		1,827,381,000				
Winter - all hrs	12,460,837	5,625,160,000	4,480,884,000			77,541,000
JCP&L On pk	76,187,857			193,584,933		
JCP&L Off pk	143,324,930			242,485,068		
Summer Total	105,216,828	3,768,491,000	2,621,254,000	241,447,000		38,498,000
Winter Total	<u>231,973,624</u>	<u>5,625,160,000</u>	<u>4,480,884,000</u>	<u>436,070,000</u>		<u>77,541,000</u>
Annual Total	337,190,452	9,393,651,000	7,102,138,000	677,517,000		116,039,000
						Total
						6,774,906,828
						<u>10,851,628,624</u>
						17,626,535,452

Table #C6

Summary of BGS Unit Costs @ customer

NON-DEMAND RATES

includes energy, Generation & Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Summer - all hrs	\$ 118.03		\$ 113.82		\$ 85.02
JCP&L On pk	\$ 182.39			\$ 148.54	
JCP&L Off pk	\$ 75.74			\$ 75.21	
Block 1 (0-600 kWh/m)		\$ 113.62			
Block 2 (>600 kWh/m)		\$ 122.27			
Winter - all hrs	\$ 109.12	\$ 116.21	\$ 108.65		\$ 84.14
JCP&L On pk	\$ 165.73			\$ 136.63	
JCP&L Off pk	\$ 79.01			\$ 77.58	
Annual -all hrs	\$ 111.90	\$ 116.85	\$ 110.56	\$ 105.81	\$ 84.43

DEMAND RATES

includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh

JCP&L does not have a demand component in its BGS charges

ALL RATES

Grand Total Cost in \$1000 = \$ 2,002,103

All-In Average costs @ bulk system = \$ 101.60 per MWh at bulk system (per bulk system metered MWh)

All-In Average costs @ transmission nodes = \$ 103.28 per MWh at transmission nodes (per transmission nodes metered MWh)

**Jersey Central Power & Light
Attachment 2**

Table #C7 Ratio of BGS Unit Costs @ customer to All-In Average Cost @ transmission nodes (rounded to 3 decimal places)

NON-DEMAND RATES

includes Energy, Generation & Transmission obligations, and Ancillary Services - adjusted to billing time periods

	RT{1}	RS{2}	GS{3}	GST {4}	OL/SL
Summer - all hrs	1.143	1.141	1.102		0.823
JCP&L On pk	1.766			1.438	
JCP&L Off pk	0.733			0.728	
Constant for Block 1 (0-600 kWh/m) usage (Excl. SUT)		(4.195)			
Constant for Block 2 (>600 kWh/m) usage (Excl. SUT)		4.457			
Winter - all hrs	1.057	1.125	1.052		0.815
JCP&L On pk	1.605			1.323	
JCP&L Off pk	0.765			0.751	
Annual - all hrs	1.083	1.131	1.071	1.025	0.818

DEMAND RATES

includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods

JCP&L does not have a demand component in its BGS charges