
**IN THE MATTER OF THE PROVISION OF
BASIC GENERATION SERVICE FOR THE
PERIOD BEGINNING JUNE 1, 2012**

Docket No. EO11040250

JERSEY CENTRAL POWER & LIGHT COMPANY

**PROPOSAL FOR
BASIC GENERATION SERVICE
BEYOND MAY 31, 2012**

COMPANY SPECIFIC ADDENDUM

July 1, 2011

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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.

JCP&L will retain sufficient renewable energy attributes from its Committed Supply to meet its RPS obligation for the 10 MW of load it serves. JCP&L will purchase sufficient amounts of solar renewable energy credits (SRECS) and/or make requisite solar alternative compliance

payments to meet its solar requirement for the 10 MW served. 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 allocate all remaining renewable attributes on a pro-rata basis to BGS-FP Suppliers 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 or amounts 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 Solar, Class I and Class II percentages or amounts required in the RPS associated with the tranches they serve, net of renewable attributes of the Committed Supply energy proportionately allocated, 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 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:

- (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, 2012;
- (c) A default during the June 1, 2012 – May 31, 2015 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, 2012

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, 2012 through May 31, 2015 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. 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. Revenues related to the Board-approved pass-through of Transmission Charge increases (e.g., TEC) 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., TEC) 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, 2012). 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.

III. DESCRIPTION OF BGS TARIFF SHEETS AND OTHER TARIFF CHANGES

A. General

As described in the generic section of the EDCs' 2012 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 689 customers, excluding GS and GST customers as noted below, would thus be eligible to receive BGS-CIEP default service, which would comprise about 14% 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 750 kW or greater as of November 1, 2011, and those GS and GST customers that have opted to take BGS-CIEP default service for the 2012/2013 BGS Supply Period (June 1, 2012 through May 31, 2013) as of January 4, 2012.

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 2012 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 2011 BGS Cost and Bid Factor Tables.

JCP&L will identify all GS and GST customers with loads of 750 kW or greater based on the individual customer’s share of the capacity peak load as in effect as of November 1, 2010 assigned to the JCP&L Transmission Zone by the PJM Interconnection, L.L.C., adjusted for billing anomalies

(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 charges 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 III - Accounting and Cost Recovery, above.

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 750 kW or greater as of November 1, 2011, those GS and GST customers that have opted to take BGS-CIEP default service for the 2012/2013 BGS Supply Period (June 1, 2012 through May 31, 2013) as of January 4, 2012, and those GS and GST customers that previously opted to take BGS-CIEP default service and do not notify the Company, by January 4, 2012, that they opt to return to BGS-FP default service for the 2012/2013 BGS Supply Period (June 1, 2012 through May 31, 2013).

All GS and GST customers (with the exception of non-metered accounts) may “opt in” to BGS-CIEP, effective June 1, 2012, provided that they notify the Company no later than January 4,

2012. 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, 2012.

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). The ancillary service costs will be set at \$0.006 per kWh for all monthly usage.

(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 750 kW or greater as of November 1, 2011, and GS and GST customers that have opted in no later than January 4, 2012. 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 III - 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.

IV. 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 2010 and 2011 BGS auctions and the forecasted cost for the 2012 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 (2010/2011, 2011/2012 and 2012/2013, 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 2008, 2009 and 2010 data.

Table #2 (% Usage During JCP&L On-Peak Billing Period) contains the percentage of on-peak load, forecasted for 2011, 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 2011. The GS and GST classes exclude the usage of those accounts with peak load shares of 750 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 2010/2011 and 2011/2012 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 2010 and 2011 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 2011, with the GS and GST obligation reduced to reflect the accounts with a peak load share of 750 kW or greater taking service under BGS-CIEP. The values in the top portion of Table #10 will be updated in January 2012 to reflect the aggregate amount by rate schedule that will be in effect on June 1, 2012. 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 2010/2011 and 2011/2012 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 2010 and 2011 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., TECs) 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 2011. 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 2010/2011 and 2011/2012 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 2010 and 2011 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., TEC) 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., TEC) 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) is the forecasted 2011 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 2010/2011 and 2011/2012 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 2010/2011 and 2011/2012 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 2012/2013 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 2012/2013 BGS Supply Period. Since the

normal calculation would produce the atypical result of a Summer Seasonal Payment Factor that is lower than the Winter Seasonal Payment Factor for the 2012/2013 BGS Supply Period, a factor of 1.0 will be used for both the Summer and Winter Seasonal Payment Factors.

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, 2012 through May 31, 2013 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, 2012 through May 31, 2013.

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 2011 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 (2012/2013 BGS Supply Period, Table #3 adjusted by the loss factors in 2012/2013 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, 2012 through May 31, 2013. 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 2012/2013 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.

V. 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 I.A - Committed Supply, above; (4) Tariff sheets for Riders BGS-FP, BGS-CIEP, and CIEP - Standby Fee; and (5) BGS pricing.

Proposed BGS Tariff Sheets

Effective 6/1/2012

JERSEY CENTRAL POWER & LIGHT COMPANY

XXth Rev. Sheet No. 36

BPU No. 10 ELECTRIC - PART III

Superseding XXth Rev. Sheet No. 36

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 750 KW or greater as of November 1, 2011. 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, 2012 through May 31, 2013)

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	\$x.xxxxxx	\$x.xxxxxx
(Excludes off-peak and controlled water heating special provisions)		
GST - all on-peak KWH	\$x.xxxxxx	\$x.xxxxxx
- all off-peak KWH	\$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.

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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)

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, 2009, a RMR surcharge of **\$0.000058** 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 September 1, 2010, a TRAILCO4-TEC surcharge of **\$0.000305** per KWH (includes Sales and Use Tax as provided in Rider SUT), a PEPCO2-TEC surcharge of **\$0.000014** per KWH (includes Sales and Use Tax as provided in Rider SUT), an ACE2-TEC surcharge of **\$0.000072** per KWH (includes Sales and Use Tax as provided in Rider SUT), a Delmarva2-TEC surcharge of **\$0.000007** per KWH (includes Sales and Use Tax as provided in Rider SUT), an AEP-East2-TEC surcharge of **\$0.000003** per KWH (includes Sales and Use Tax as provided in Rider SUT), and a PPL2-TEC surcharge of **\$0.000018** 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 March 1, 2011, a PATH3-TEC surcharge of **\$0.000079** per KWH (includes Sales and Use Tax as provided in Rider SUT), a VEPCO3-TEC surcharge of **\$0.000173** per KWH (includes Sales and Use Tax as provided in Rider SUT), and a PSEG2-TEC surcharge of **\$0.001036** 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 750 KW or greater as of November 1, 2011, 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, 2012 through May 31, 2013)

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, 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.xxxxx 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, 2009, 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	\$0.000052
GT	\$0.000055
GP	\$0.000056
GS and GST	\$0.000058

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

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 September 1, 2010, the following TEC surcharges 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>TRAILCO4-TEC</u>	<u>PEPCO2-TEC</u>	<u>ACE2-TEC</u>
GT – High Tension Service	\$0.000044	\$0.000002	\$0.000011
GT	\$0.000165	\$0.000007	\$0.000039
GP	\$0.000193	\$0.000009	\$0.000045
GS and GST	\$0.000305	\$0.000014	\$0.000072

	<u>Delmarva2-TEC</u>	<u>AEP-East2-TEC</u>	<u>PPL2-TEC</u>
GT – High Tension Service	\$0.000001	\$0.000000	\$0.000003
GT	\$0.000004	\$0.000002	\$0.000010
GP	\$0.000005	\$0.000002	\$0.000012
GS and GST	\$0.000007	\$0.000003	\$0.000018

Effective March 1, 2011, the following TEC surcharges 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>PATH3-TEC</u>	<u>VEPCO3-TEC</u>	<u>PSEG2-TEC</u>
GT – High Tension Service	\$0.000011	\$0.000025	\$0.000147
GT	\$0.000046	\$0.000101	\$0.000598
GP	\$0.000050	\$0.000111	\$0.000664
GS and GST	\$0.000079	\$0.000173	\$0.001036

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 750 KW or greater as of November 1, 2011, 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, 2012 through May 31, 2013 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
Attachment 2
2012 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
(data rounded to nearest .01 %)

*Based on an average of 2008 through 2010 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays*

	Profile Meter Data		Profile Meter Data		Profile Meter Data		Other Analysis	
	RT(1)	RS(2)	RS(2)	GS(3)	Data	GST	OU	USL
January	49.57%	45.72%	56.49%	55.09%	55.09%	32.37%		
February	51.02%	47.41%	58.18%	56.51%	56.51%	30.93%		
March	50.63%	48.67%	58.62%	56.18%	56.18%	33.31%		
April	52.98%	48.26%	61.47%	59.02%	59.02%	29.47%		
May	48.22%	45.51%	57.50%	55.96%	55.96%	26.57%		
June	52.40%	50.62%	59.73%	58.72%	58.72%	27.01%		
July	53.85%	52.30%	58.68%	58.53%	58.53%	26.58%		
August	52.87%	51.70%	58.21%	56.94%	56.94%	26.38%		
September	53.03%	50.43%	60.55%	59.34%	59.34%	29.70%		
October	51.05%	47.28%	59.21%	57.74%	57.74%	31.85%		
November	49.44%	45.74%	57.82%	55.58%	55.58%	32.10%		
December	52.50%	49.04%	59.49%	57.08%	57.08%	34.86%		

Table #2
% Usage During JCP&L On-Peak Billing Period
(data rounded to nearest .01 %)

On-Peak periods as defined in specified rate schedule

	2011 Forecasted Calendar Month Sales		2011 Forecasted Calendar Month Sales		2011 Forecasted Calendar Month Sales		2011 Forecasted Calendar Month Sales	
	RT(1)	RS(2)	N/A	GS(3)	N/A	GS(3)	N/A	OU/USL
January	35.23%							
February	34.65%							
March	34.52%							
April	34.66%							
May	36.11%							
June	38.93%							
July	40.57%							
August	40.27%							
September	38.37%							
October	36.38%							
November	34.30%							
December	34.53%							

{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 2011 in MWh	RT(1)	RS(2)	GS(3)	GST (4)	OLJSL	Total
	January	32,350	838,020	549,991	37,503	9,744	1,467,848
	February	33,850	799,864	546,410	37,277	9,718	1,427,119
	March	30,431	728,183	541,201	35,813	9,766	1,345,394
	April	24,925	647,885	532,114	35,112	9,618	1,249,654
	May	18,645	585,194	515,151	33,971	9,615	1,162,546
	June	20,364	746,047	576,596	39,297	9,611	1,391,916
	July	25,748	1,033,257	637,892	39,072	9,607	1,745,567
	August	25,373	1,092,332	660,718	40,363	9,603	1,828,408
	September	23,179	949,127	627,223	36,679	9,599	1,647,806
	October	17,291	661,018	543,604	34,653	9,595	1,268,161
	November	18,301	627,008	517,556	34,276	9,591	1,206,732
	December	29,435	761,978	540,945	35,718	9,587	1,377,663
	Total	300,132	9,469,882	6,791,391	441,754	115,654	17,118,813

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

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	71,000	78,851	50,938	56,571
February	71,000	78,851	50,938	56,571
March	61,750	68,578	44,302	49,201
April	61,750	68,578	44,302	49,201
May	57,250	63,581	41,073	45,615
June	61,380	73,620	38,571	46,263
July	75,440	90,484	47,406	56,860
August	75,440	90,484	47,406	56,860
September	56,880	63,170	36,981	41,070
October	56,880	63,170	40,808	45,321
November	56,880	63,170	40,808	45,321
December	56,880	63,170	40,808	45,321

Table #5	Zone-Hub Basis Differential Based on 3 Year Average	On-Peak	Off-Peak
		115%	112%
		115%	112%
		115%	112%
		115%	112%
		115%	112%
		109%	104%
		109%	104%
		109%	104%
		115%	112%
		115%	112%

Table #6

	RT(1)	RS(2)	GS(3)	GST (4)	OLJSL
Losses					
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 =	9.0760%	9.0760%	9.0760%	9.0760%	9.0760%
Expansion Factor to Transmission Nodes =	1.09982	1.09982	1.09982	1.09982	1.09982

(4) The GS and GST units exclude the units associated with the 750 MW and above 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)	OJSL
Summer - all hrs	\$ 79,838	\$ 79,423	\$ 81,902	\$ 81,250	\$ 68,089
PJM on pk	\$ 98,259	\$ 98,686	\$ 97,557	\$ 97,308	\$ 96,766
PJM off pk	\$ 59,002	\$ 59,104	\$ 58,861	\$ 58,735	\$ 58,648
Winter - all hrs	\$ 76,499	\$ 74,754	\$ 77,307	\$ 76,912	\$ 70,031
PJM on pk	\$ 89,806	\$ 88,948	\$ 88,281	\$ 88,444	\$ 88,308
PJM off pk	\$ 62,766	\$ 62,176	\$ 61,774	\$ 61,851	\$ 61,651
Annual	\$ 77,552	\$ 76,638	\$ 79,000	\$ 78,458	\$ 69,721
System Total	\$	\$ 77.59			

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)	OJSL	Total
Summer - all hrs	\$ 7,558	\$ 303,458	\$ 204,952	\$ 12,791	\$ 2,655	\$ 531,414
PJM on pk	\$ 4,937	\$ 193,564	\$ 145,309	\$ 8,942	\$ 1,019	\$ 353,771
PJM off pk	\$ 2,621	\$ 109,894	\$ 59,643	\$ 3,850	\$ 1,635	\$ 177,644
Winter - all hrs	\$ 15,718	\$ 422,297	\$ 331,566	\$ 21,868	\$ 5,409	\$ 796,858
PJM on pk	\$ 9,372	\$ 236,084	\$ 221,873	\$ 14,242	\$ 2,144	\$ 483,714
PJM off pk	\$ 6,346	\$ 186,213	\$ 109,694	\$ 7,626	\$ 3,265	\$ 313,144
Annual	\$ 23,276	\$ 725,755	\$ 536,519	\$ 34,659	\$ 8,064	\$ 1,328,273
System Total	\$	\$ 1,328,273				

**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	\$ 79,838	\$ 79,423	\$ 81,902	\$ 81,250	\$ 69,099
JCP&L On pk	\$ 104,946			\$ 102,239	
JCP&L Off pk	\$ 63,378			\$ 63,019	
Winter - all hrs	\$ 76,499	\$ 74,754	\$ 77,307	\$ 76,912	\$ 70,031
JCP&L On pk	\$ 94,862			\$ 92,189	
JCP&L Off pk	\$ 66,632			\$ 64,816	
Annual Average System Average	\$ 77,552	\$ 76,638	\$ 79,000	\$ 78,458	\$ 69,721

Table #10

Generation & Transmission Obligations and Costs and Other Adjustments obligations - annual average forecasted for 2011; costs are market estimates in MW

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	BGS-PP TOTAL
Gen Obl - MW	107.7	3,054.1	1,733.1	73.5	0.5	4,968.9
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	Summer Total	Winter Total	Annual Total
Generation Capacity cost	\$ 174.29	193,563 \$/MWh/day	\$ 117,339,013	\$ 233,716,231	\$ 351,055,244
Residential summer BGS + Transmission charge differential per BPU and summer blocking percentages	\$ 174.29	193,563 \$/MWh/day			

Rate

Charges	% Usage
Block 1 (0-600 kWh/m)	50.89%
Block 2 (>600 kWh/m)	49.11%

0.8652 ¢/kWh

Table #11

Ancillary Services forecasted overall annual average

Initial	3.00
Adjusted	3.332 \$/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	\$ 25,352	\$ 22,785	\$ 18,029	\$ 11,755	\$ 0,305
Generation Obl \$/MWh - Summer - All Hours	\$ 26,867	\$ 18,876	\$ 16,355	\$ 0,307	\$ 0,307
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 67,848	\$ 23,718	\$ 19,006	\$ 27,516	\$ 0,305
Generation Obl \$/MWh - Winter - All Hours	\$ 24,655	\$ 25,429	\$ 19,006	\$ 27,516	\$ 0,305
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 70,536				

**Jersey Central Power & Light
Attachment 2**

Table #13 Summary of BGS Unit Costs @ customer

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
NON-DEMAND RATES					
<i>includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh</i>					
Summer - all hrs					
JCP&L On pk	\$ 114.27	\$ 106.65	\$ 106.60	\$	\$ 76.64
JCP&L Off pk	\$ 180.36			\$ 133.37	
Block 1 (0-600 KWh/m)	\$ 70.95			\$ 70.43	
Block 2 (>600 KWh/m)		\$ 102.40			
		\$ 111.05			
Winter - all hrs					
JCP&L On pk	\$ 108.72	\$ 108.54	\$ 104.65	\$	\$ 77.57
JCP&L Off pk	\$ 172.97			\$ 127.12	
	\$ 74.20			\$ 72.23	
Annual -all hrs					
	\$ 110.47	\$ 107.78	\$ 105.37	\$ 97.63	\$ 77.26
DEMAND RATES					
<i>includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh</i>					

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}	OLSLS
Summer - all hrs	4,190,627		2,502,419,000	73,178,439	38,420,000
JCP&L On pk	35,828,501			64,252,561	
JCP&L Off pk	54,645,138	1,944,355,000			
Block 1 (0-600 kWh/m)		1,876,408,000			
Block 2 (>600 kWh/m)					
Winter - all hrs	10,448,775	5,649,119,000	4,288,972,000	125,638,642	77,224,000
JCP&L On pk	88,160,441			158,684,358	
JCP&L Off pk	126,958,400				
Summer Total	94,664,266	3,820,763,000	2,502,419,000	157,431,000	38,420,000
Winter Total	205,467,617	5,649,119,000	4,288,972,000	284,323,000	77,224,000
Annual Total	300,131,883	9,469,882,000	6,791,391,000	441,754,000	115,654,000
					Total
					6,613,697,266
					10,805,115,617
					17,118,812,883

Table #15
Summary of Total Estimated BGS Costs by Season

	RT{1}	RS{2}	GS{3}	GST {4}	OLSLS	Total
Total Costs by Rate - in \$1000						
Summer - all hrs	\$ 479	\$	\$ 266,750	\$ 9,760	\$ 2,944	
JCP&L On pk	\$ 6,462			\$ 5,934		
JCP&L Off pk	\$ 3,877	\$ 199,107				
Block 1 (0-600 kWh/m)		\$ 208,384				
Block 2 (>600 kWh/m)						
Winter - all hrs	\$ 1,136	\$ 613,131	\$ 448,855	\$ 15,971	\$ 5,991	
JCP&L On pk	\$ 11,789			\$ 11,462		
JCP&L Off pk	\$ 9,413					
Total Costs - in \$1000						
Summer	\$ 10,818	\$ 407,492	\$ 266,750	\$ 15,694	\$ 2,944	\$ 703,698
Winter	\$ 22,338	\$ 613,131	\$ 448,855	\$ 27,433	\$ 5,991	\$ 1,117,749
Total	\$ 33,156	\$ 1,020,623	\$ 715,604	\$ 43,127	\$ 8,935	\$ 1,821,446
% of Annual Total \$						
Summer	33%	40%	37%	36%	33%	39%
Winter	67%	60%	63%	64%	67%	61%

**Jersey Central Power & Light
Attachment 2**

Table #16

Customer & Bulk System Costs	
Customer Costs Per Allocation Matrix	
Grand Total Cost in \$1000 = \$	1,821,446
Seasonal Units	
Summer	105,835
Winter	229,713
Supplier Payment in \$1000	
Post Transition Year 8 Bid price	95.170
Seasonally Adjusted Summer Payment	7,394,110
Seasonally Adjusted Winter Payment	11,744,712
Total Supplier Payment	\$ 1,117,744

RT(1)	105,835	RS(2)	4,271,610	GS(3)	2,797,703	GST (4)	176,008	OU/SL	42,954	Total	7,394,110
	229,713		6,315,711		4,795,067		317,873		86,348		11,744,712

Seasonal Factor	1.0000	Units	7,394,110	Payment	703,697
Price per MWh	95.17		\$ 11,744,712		\$ 1,117,744
	1.0000		\$		\$ 1,821,441

Table #17

Adjustment Factor Calculation		Seasonal Supplier Payment	95.17	Adjustment Factor Calculation	1.19942
Allocated Customer Costs on a per MWh basis (on bulk system MWhs):			95.17	Adjustment Factor	1.11058
Summer	\$ 95.170 per MWh @ bulk system				
Winter	\$ 95.170 per MWh @ bulk system				

Assumptions:

- Generation Capacity Cost = \$ 193.56 per MW day Summer
- Transmission cost = \$ 193.56 per MW day Winter
- Analysis time period = Transmission charges will be based on Retail Tariff rates for the applicable rate schedules
 - 4 summer months
 - 8 winter months
- Ancillary Services = \$ 3.33 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 3) and adjusted to match the total cost at the actual supplier bid price.
- Usage patterns = forecasted 2011 energy use by class based upon PJM on/off % from 2008 through 2010 class load profiles
 - JCP&L billing on/off % from 2011 forecasted billing determinants
 - Obligations = class totals for 2011 excluding accounts required to take service under SGS-CIEP as of June 1, 2012
 - 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
2012 BGS Auction Cost and Bid Factor Tables

2011/2012 BGS Supply Period Estimated Supplier Payments Allocated by Rate Class

Table #1
Development of Post Transition Period BGS Cost and Bid Factors
Adjusted to Billing Time Periods

Based on an average of 2008 through 2010 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj. for NERC holidays

% Usage During PJM On-Peak Period	Profile Meter Data		Profile Meter Data		Profile Meter Data		Other Analysis	
	RT(1)	RS(2)	RS(2)	GS(3)	GST	GST	OUSL	OUSL
(data rounded to nearest .01 %)								
January	49.57%	45.72%	56.49%	55.09%	55.09%	55.09%	32.37%	32.37%
February	51.02%	47.41%	58.18%	56.51%	56.51%	56.51%	30.93%	30.93%
March	50.63%	46.67%	56.62%	56.18%	56.18%	56.18%	33.31%	33.31%
April	52.98%	48.26%	61.47%	59.02%	59.02%	59.02%	29.47%	29.47%
May	48.22%	45.51%	57.50%	55.96%	55.96%	55.96%	26.57%	26.57%
June	52.40%	50.62%	59.73%	58.72%	58.72%	58.72%	27.01%	27.01%
July	53.65%	52.30%	59.68%	58.53%	58.53%	58.53%	26.96%	26.96%
August	52.87%	51.70%	58.21%	56.94%	56.94%	56.94%	26.38%	26.38%
September	53.03%	50.43%	60.55%	59.34%	59.34%	59.34%	29.70%	29.70%
October	51.05%	47.28%	59.21%	57.74%	57.74%	57.74%	31.85%	31.85%
November	49.44%	45.74%	57.82%	55.58%	55.58%	55.58%	32.10%	32.10%
December	52.50%	49.04%	59.49%	57.08%	57.08%	57.08%	34.96%	34.96%

Table #2
% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

% Usage During JCP&L On-Peak Billing Period	2011 Forecasted Calendar Month Sales		2011 Forecasted Calendar Month Sales		2011 Forecasted Calendar Month Sales	
	RT(1)	RS(2)	N/A	GS(3)	N/A	OUSL
(data rounded to nearest .01 %)						
January	35.23%	---	---	---	42.65%	---
February	34.65%	---	---	---	43.21%	---
March	34.52%	---	---	---	43.56%	---
April	34.66%	---	---	---	44.24%	---
May	36.11%	---	---	---	45.80%	---
June	38.93%	---	---	---	46.83%	---
July	40.57%	---	---	---	46.44%	---
August	40.27%	---	---	---	46.40%	---
September	38.37%	---	---	---	46.26%	---
October	36.38%	---	---	---	46.16%	---
November	34.30%	---	---	---	44.70%	---
December	34.55%	---	---	---	43.47%	---

{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

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Table #3

Class Usage @ customer
calendar month sales forecasted for 2011
in MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OLS/L	Total
January	32,590	838,020	549,991	37,503	9,744	1,467,848
February	33,850	799,864	546,410	37,277	9,718	1,427,119
March	30,431	728,183	541,201	35,813	9,766	1,345,394
April	24,925	647,885	532,114	35,112	9,618	1,249,654
May	18,645	585,164	515,151	33,971	9,615	1,162,546
June	20,364	746,047	576,596	39,297	9,611	1,391,916
July	25,748	1,033,257	637,882	39,072	9,607	1,745,567
August	25,373	1,092,332	660,718	40,383	9,603	1,828,408
September	23,179	949,127	627,223	38,679	9,599	1,647,806
October	17,291	661,018	545,604	34,653	9,595	1,268,161
November	18,301	627,008	517,556	34,276	9,591	1,206,732
December	29,435	761,978	540,845	35,718	9,587	1,377,663
Total	300,132	9,469,882	6,791,391	441,754	115,654	17,118,813

Table #4

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

	Initial On-Peak	Adjusted On-Peak	Initial Off-Peak	Adjusted Off-Peak
January	57,890	75,155	43,365	56,298
February	57,890	75,155	43,365	56,298
March	51,250	66,535	38,391	49,841
April	51,250	66,535	38,391	49,841
May	50,000	64,912	37,455	48,625
June	53,890	73,398	35,496	48,345
July	64,280	87,549	42,339	57,666
August	64,280	87,549	42,339	57,666
September	52,140	67,690	34,343	44,585
October	48,450	62,899	36,293	47,117
November	49,450	64,198	37,043	48,091
December	54,600	70,884	40,900	53,098

Table #5

Losses
Loss Factors =
Expansion Factor =
Loss Factors from Transmission Nodes =
Expansion Factor to Transmission Nodes =

RT(1)	RS(2)	GS(3)	GST (4)	OLS/L
10.5545%	10.5545%	10.5545%	10.5545%	10.5545%
1.11800	1.11800	1.11800	1.11800	1.11800
9.1834%	9.1834%	9.1834%	9.1834%	9.1834%
1.10112	1.10112	1.10112	1.10112	1.10112

Table #6
Zone-Hub Basis Differential
Based on 3 Year Average

On-Peak	Off-Peak
117%	114%
117%	114%
117%	114%
117%	114%
117%	114%
109%	106%
109%	106%
109%	106%
117%	114%
117%	114%

{4} The GS and GST units exclude the units associated with the 750 kW and above PLS accounts that will be required to take service under BGS-CIEP

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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)	OU/SL
Summer - all hrs		\$ 80,986 \$	80,610 \$	82,855 \$	82,273 \$	71,441
	PJM on pk	\$ 97,405 \$	97,763 \$	96,828 \$	96,610 \$	96,184
	PJM off pk	\$ 62,417 \$	62,516 \$	62,307 \$	62,172 \$	62,095
Winter - all hrs		\$ 78,640 \$	77,113 \$	79,487 \$	79,101 \$	72,781
	PJM on pk	\$ 90,908 \$	90,239 \$	89,624 \$	89,740 \$	89,735
	PJM off pk	\$ 65,977 \$	65,481 \$	65,141 \$	65,207 \$	65,008
Annual		\$ 79,960 \$	78,524 \$	80,728 \$	80,231 \$	72,336
System Total	\$	79.42				

Table #8

**Summary of Average BGS Energy Only Unit 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)	OU/SL	Total
Summer - all hrs		\$ 7,667 \$	307,993 \$	207,337 \$	12,952 \$	2,745 \$	538,693
	PJM on pk	\$ 4,894 \$	191,754 \$	144,223 \$	8,878 \$	1,013 \$	350,762
	PJM off pk	\$ 2,773 \$	116,238 \$	63,114 \$	4,075 \$	1,732 \$	187,931
Winter - all hrs		\$ 16,158 \$	435,623 \$	340,918 \$	22,490 \$	5,621 \$	820,810
	PJM on pk	\$ 9,487 \$	239,509 \$	225,247 \$	14,450 \$	2,179 \$	490,872
	PJM off pk	\$ 6,671 \$	196,113 \$	115,671 \$	8,040 \$	3,443 \$	329,938
Annual		\$ 23,824 \$	743,615 \$	548,255 \$	35,443 \$	8,366 \$	1,359,503
System Total	\$	1,359,503					

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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)	GSC(3)	GST (4)	OL/SL
Summer - all hrs	\$ 80,986	\$ 80,610	\$ 82,855	\$ 82,273	\$ 71,441
JCP&L On pk	\$ 103,965			\$ 101,013	
JCP&L Off pk	\$ 66,317			\$ 65,996	
Winter - all hrs	\$ 78,640	\$ 77,113	\$ 79,487	\$ 79,101	\$ 72,781
JCP&L On pk	\$ 95,884			\$ 93,195	
JCP&L Off pk	\$ 69,373			\$ 67,942	
Annual Average System Average	\$ 79.42	\$ 78,524	\$ 80,728	\$ 80,231	\$ 72,336

Table #10

Generation & Transmission Obligations and Costs and Other Adjustments
obligations - annual average forecasted for 2011; costs are market estimates
in MW

	RT(1)	RS(2)	GSC(3)	GST (4)	OL/SL	BGS-FP TOTAL
Gen Obl - MW	107.7	3,054.1	1,733.1	73.5	0.5	4,968.9
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	\$ 110.04	142,858 \$/MW/day
Residential summer BGS + Transmission charge differential per BPU and summer blocking percentages	\$ 110.04	142,858 \$/MW/day

Charges	Rate	% usage
Block 1 (0-600 kWh/m)		50.89%
Block 2 (>600 kWh/m)		49.11%
Differential (Excl. SUT)	0.8652 ¢/kWh	

Table #11

Ancillary Services
forecasted overall annual average

Initial	Adjusted
\$ 3.00	3.895 \$/MWh

Table #12

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

	RT(1)	RS(2)	GSC(3)	GST (4)	OL/SL
Transmission Obl - all months	\$ 3.842	\$ 4.627	\$ 4.615	\$ 3.690	\$ 3.508
Generation Obl \$/MWh - all months	\$ 18,711	\$ 16,817	\$ 13,306	\$ 8,676	\$ 0,225
Generation Obl \$/MWh - Summer - All Hours	\$ 19,829	\$ 13,931	\$ 12,071	\$ 17,505	\$ 0,227
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 50,075	\$ 18,196	\$ 14,028	\$ 20,308	\$ 0,225
Generation Obl \$/MWh - Winter - All Hours	\$ 18,196	\$ 16,768	\$ 14,028	\$ 17,505	\$ 0,225
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 52,058	\$ 16,768	\$ 14,028	\$ 20,308	\$ 0,225

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Table #13 Summary of BGS Unit Costs @ customer

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
NON-DEMAND RATES					
<i>includes energy, Generation and Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh</i>					
Summer - all hrs					
JCP&L On pk	\$ 109.01	\$ 103.52	\$ 103.89	\$	\$ 79.53
JCP&L Off pk	\$ 181.64			\$ 126.56	
Block 1 (0-600 kWh/m)	\$ 74.51			\$ 74.04	
Block 2 (>600 kWh/m)		\$ 99.27			
		\$ 107.93			
Winter - all hrs					
JCP&L On pk	\$ 105.03	\$ 104.86	\$ 102.48	\$	\$ 80.87
JCP&L Off pk	\$ 156.14			\$ 121.55	
	\$ 77.57			\$ 75.99	
Annual -all hrs	\$	\$ 106.29	\$ 103.00	\$ 96.95	\$ 80.42
DEMAND RATES					
<i>includes energy and Ancillary Services, G&T obligations charged separately - adjusted to billing time periods in \$/MWh</i>					

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

**Jersey Central Power & Light
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Table #14

**Units @ Customer
in kWh**

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Summer - all hrs	4,190,627		2,502,419,000	73,178,439	38,420,000
JCP&L On pk	35,828,501			84,252,561	
JCP&L Off pk	54,645,138				
Block 1 (0-600 kWh/m)		1,944,355,000			
Block 2 (>600 kWh/m)		1,876,408,000			
Winter - all hrs	10,448,775	5,649,119,000	4,288,972,000	125,638,642	77,234,000
JCP&L On pk	68,160,441			158,684,358	
JCP&L Off pk	126,858,400				
Summer Total	94,664,266	3,820,763,000	2,502,419,000	157,431,000	38,420,000
Winter Total	205,487,617	5,649,119,000	4,288,972,000	284,323,000	77,234,000
Annual Total	300,131,883	9,469,882,000	6,791,391,000	441,754,000	115,654,000
					Total
					6,613,697,266
					10,595,115,617
					17,118,812,883

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	\$ 457	\$	\$ 259,988	\$ 9,262	\$ 3,056	
JCP&L On pk	\$ 5,791			\$ 6,238		
JCP&L Off pk	\$ 4,072					
Block 1 (0-600 kWh/m)		\$ 193,025				
Block 2 (>600 kWh/m)		\$ 202,514				
Winter - all hrs	\$ 1,097	\$ 592,382	\$ 439,552	\$ 15,271	\$ 6,246	
JCP&L On pk	\$ 10,642			\$ 12,058		
JCP&L Off pk	\$ 9,840					
Total Costs - in \$1000						
Summer	\$ 10,320	\$ 395,538	\$ 259,988	\$ 15,500	\$ 3,056	\$ 684,402
Winter	\$ 21,580	\$ 592,382	\$ 439,552	\$ 27,329	\$ 6,246	\$ 1,087,090
Total	\$ 31,900	\$ 987,921	\$ 699,540	\$ 42,829	\$ 9,301	\$ 1,771,491
% of Annual Total \$						
Summer	32%	40%	37%	36%	33%	39%
Winter	68%	60%	63%	64%	67%	61%

Jersey Central Power & Light
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Table #16

Customer & Bulk System Costs

Customer Costs Per Allocation Matrix
Grand Total Cost in \$1000 = \$ 1,771,491

Seasonal Units	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
Summer	105,835	4,271,610	2,797,703	176,008	42,954	7,394,110
Winter	229,713	6,315,711	4,795,067	317,873	86,348	11,744,712
Supplier Payment in \$1000						
Post Transition Year 9 Bid price	92.560	Units	Payment			
Seasonally Adjusted Summer Payment	1.0000	7,394,110	\$ 684,399			
Seasonally Adjusted Winter Payment	1.0000	11,744,712	\$ 1,087,091			
Total Supplier Payment			\$ 1,771,490			

Table #17

Adjustment Factor Calculation

Allocated Customer Costs on a per MWh basis (on bulk system MWhs):
 Summer \$ 92.560 per MWh @ bulk system
 Winter \$ 92.560 per MWh @ bulk system

Seasonal Supplier Payment	Adjustment Factor Calculation	Adjustment Factor
92.56	1.0000	1.361995
92.56	1.0000	1.298235

Assumptions:

- Generation Capacity Cost = \$ 142.86 per MW day Summer
- Transmission cost = \$ 142.86 per MW day Winter
- Analysis time period = 4 summer months
- Ancillary Services = \$ 3.90 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 2011 energy use by class based upon PJM on/off % from 2008 through 2010 class load profiles
- Obligations = JCP&L billing on/off % from 2011 forecasted billing determinants
- Losses = class totals for 2011 excluding accounts required to take service under BGS-CIEP as of June 1, 2012
- 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
2012 BGS Auction Cost and Bid Factor Tables**

2012/2013 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**

% Usage During PJM On-Peak Period

*Based on an average of 2008 through 2010 Load Profile Information
On-Peak periods defined as the 16 hr PJM Trading period, adj for NERC holidays*

Profile Meter	Data		Profile Meter Data		Profile Meter Data		Other Analysis	
	RT(1)	RS(2)	RS(2)	GS(3)	GS(3)	GST	GST	OJSL
January	49.57%	45.72%	56.49%	55.09%	55.09%	32.37%	32.37%	32.37%
February	51.02%	47.41%	56.18%	56.51%	56.51%	30.93%	30.93%	30.93%
March	50.63%	46.67%	56.62%	56.18%	56.18%	33.31%	33.31%	33.31%
April	52.98%	48.26%	61.47%	59.02%	59.02%	29.47%	29.47%	29.47%
May	48.22%	45.51%	57.50%	55.96%	55.96%	26.57%	26.57%	26.57%
June	52.40%	50.62%	59.73%	58.72%	58.72%	27.01%	27.01%	27.01%
July	53.65%	52.30%	59.66%	58.53%	58.53%	26.58%	26.58%	26.58%
August	52.87%	51.70%	58.21%	56.94%	56.94%	26.39%	26.39%	26.39%
September	53.03%	50.43%	60.55%	59.34%	59.34%	29.70%	29.70%	29.70%
October	51.05%	47.28%	59.21%	57.74%	57.74%	31.65%	31.65%	31.65%
November	49.44%	45.74%	57.82%	55.58%	55.58%	32.10%	32.10%	32.10%
December	52.50%	49.04%	59.49%	57.08%	57.08%	34.86%	34.86%	34.86%

Table #1

% Usage During JCP&L On-Peak Billing Period

On-Peak periods as defined in specified rate schedule

Profile Meter	2011 Forecasted Calendar Month		2011 Forecasted Calendar Month		2011 Forecasted Calendar Month		Other Analysis	
	RT(1)	RS(2)	RS(2)	GS(3)	GS(3)	GST	GST	OJSL
January	35.23%	---	---	---	---	42.65%	42.65%	---
February	34.65%	---	---	---	---	43.21%	43.21%	---
March	34.52%	---	---	---	---	43.56%	43.56%	---
April	34.66%	---	---	---	---	44.24%	44.24%	---
May	36.11%	---	---	---	---	45.80%	45.80%	---
June	38.93%	---	---	---	---	46.83%	46.83%	---
July	40.57%	---	---	---	---	46.44%	46.44%	---
August	40.27%	---	---	---	---	46.40%	46.40%	---
September	38.37%	---	---	---	---	46.26%	46.26%	---
October	36.38%	---	---	---	---	46.16%	46.16%	---
November	34.30%	---	---	---	---	44.70%	44.70%	---
December	34.53%	---	---	---	---	43.47%	43.47%	---

Table #2

{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 2011
in MWh

	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL	Total
January	32,590	838,020	549,591	37,503	9,744	1,467,848
February	33,850	799,864	548,410	37,277	9,718	1,437,119
March	30,431	728,183	541,201	35,813	9,766	1,345,394
April	24,925	647,885	532,114	35,112	9,618	1,249,654
May	18,645	585,184	515,151	33,971	9,615	1,162,546
June	20,364	746,047	576,596	39,297	9,611	1,391,916
July	25,748	1,033,257	637,882	39,072	9,607	1,745,567
August	25,373	1,082,332	660,718	40,383	9,603	1,828,408
September	23,179	949,127	627,223	38,679	9,599	1,647,806
October	17,291	661,018	545,604	34,653	9,595	1,268,161
November	18,301	627,008	517,556	34,276	9,591	1,206,732
December	29,435	761,978	540,845	35,718	9,587	1,377,663
Total	300,132	9,469,882	6,791,391	441,754	115,654	17,116,813

Table #4

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

	On-Peak	Off/On Pk LMP ratio	Off-Peak	On-Peak	Off-Peak	Zono-Hub Basis Differential Based on 3 Year Average
January	58.55	0.7901	46.263	110%	108%	108%
February	58.55	0.7901	46.263	110%	108%	108%
March	51.75	0.7901	40.890	110%	108%	108%
April	51.75	0.7901	40.890	110%	108%	108%
May	50.85	0.7901	40.179	110%	108%	108%
June	54.62	0.6501	35.507	110%	108%	108%
July	63.28	0.6501	41.136	110%	108%	108%
August	63.28	0.6501	41.136	110%	108%	108%
September	52.12	0.6501	33.881	110%	108%	108%
October	49.75	0.7901	39.310	110%	108%	108%
November	49.75	0.7901	39.310	110%	108%	108%
December	49.75	0.7901	39.310	110%	108%	108%

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 =	9.2616%	9.2616%	9.2616%	9.2616%	9.2616%
Expansion Factors @ Transmission Node =	1.10207	1.10207	1.10207	1.10207	1.10207

{4} The GS and GST units exclude the units associated with the 750 kW and above PLS accounts that will be required to take service under BGS-CIEP

**Jersey Central Power & Light
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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	\$ 59,971	\$ 59,658	\$ 61,443	\$ 61,023	\$ 52,851
PJM on pk	\$ 72,368	\$ 72,589	\$ 72,025	\$ 71,884	\$ 71,647
PJM off pk	\$ 45,950	\$ 46,016	\$ 45,882	\$ 45,796	\$ 45,751
Winter - all hrs	\$ 58,390	\$ 57,477	\$ 58,846	\$ 58,635	\$ 54,928
PJM on pk	\$ 65,507	\$ 65,098	\$ 64,745	\$ 64,836	\$ 64,753
PJM off pk	\$ 51,044	\$ 50,723	\$ 50,498	\$ 50,539	\$ 50,423
Annual	\$ 58,888	\$ 58,357	\$ 59,803	\$ 59,487	\$ 54,238
System Total	\$ 58.94				

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	\$ 5,677	\$ 227,939	\$ 153,756	\$ 9,607	\$ 2,031	\$ 399,008
PJM on pk	\$ 3,636	\$ 142,377	\$ 107,280	\$ 6,605	\$ 755	\$ 260,653
PJM off pk	\$ 2,041	\$ 85,560	\$ 46,476	\$ 3,002	\$ 1,276	\$ 138,355
Winter - all hrs	\$ 11,997	\$ 324,695	\$ 252,391	\$ 16,672	\$ 4,242	\$ 609,997
PJM on pk	\$ 6,866	\$ 172,781	\$ 162,722	\$ 10,440	\$ 1,572	\$ 354,351
PJM off pk	\$ 5,161	\$ 151,914	\$ 89,669	\$ 6,231	\$ 2,670	\$ 255,646
Annual	\$ 17,674	\$ 552,632	\$ 406,147	\$ 26,279	\$ 6,273	\$ 1,009,005
System Total	\$ 1,009.005					

**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)	OU/SL
Summer - all hrs	\$ 59,971	\$ 59,658	\$ 61,443	\$ 61,023	\$ 52,851
JCP&L On pk	\$ 76,869			\$ 75,220	
JCP&L Off pk	\$ 48,894			\$ 48,693	
Winter - all hrs	\$ 58,390	\$ 57,477	\$ 58,846	\$ 58,636	\$ 54,928
JCP&L On pk	\$ 68,377			\$ 66,850	
JCP&L Off pk	\$ 53,022			\$ 52,133	
Annual Average System Average	\$ 58,888	\$ 58,357	\$ 59,803	\$ 59,487	\$ 54,238

Table #10

Generation & Transmission Obligations and Costs and Other Adjustments obligations - annual average forecasted for 2011, costs are market estimates in MW

	RT(1)	RS(2)	GS(3)	GST (4)	OU/SL	BGS-FP TOTAL
Gen Obl - MW	107.7	3,054.1	1,733.1	73.5	0.5	4,968.9
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	Winter	\$ /MWh/day
	\$ 135.18	\$ 135.18	\$ /MWh/day

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

Charges	Rate	% Usage
Block 1 (0-600 kWh/m)		50.89%
Block 2 (>600 kWh/m)		48.11%
Differential (Excl. SUT)	0.8652 ¢/kWh	

Table #11

Ancillary Services forecasted overall annual average

	\$ 3.00	\$/MWh
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Table #12

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

	RT(1)	RS(2)	GS(3)	GST (4)	OU/SL
Transmission Obl - all months	\$ 3,842	\$ 4,627	\$ 4,615	\$ 3,690	\$ 3,508
Generation Obl \$/MWh - all months	\$ 17,706	\$ 15,913	\$ 12,591	\$ 8,209	\$ 0,213
Generation Obl \$/MWh - Summer - All Hours	\$ 18,783	\$ 13,183	\$ 11,422	\$ 16,564	\$ 0,213
Generation Obl \$/MWh - Summer - On-Peak Hours	\$ 47,364			\$ 16,564	
Generation Obl \$/MWh - Winter - All Hours	\$ 17,218	\$ 17,759	\$ 13,274	\$ 19,217	\$ 0,213
Generation Obl \$/MWh - Winter - On-Peak Hours	\$ 49,260			\$ 19,217	

**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}	GSP{3}	GST {4}	OL/SL
Summer - all hrs					
JCP&L On pk	\$ 85.93	\$ 80.82	\$ 80.83	\$	\$ 59.93
JCP&L Off pk	\$ 131.45			\$ 98.83	
Block 1 (0-600 kW/m)	\$ 56.09			\$ 55.74	
Block 2 (>600 kW/m)		\$ 76.57			
		\$ 85.22			
Winter - all hrs					
JCP&L On pk	\$ 82.80	\$ 83.22	\$ 80.09	\$	\$ 62.00
JCP&L Off pk	\$ 124.83			\$ 93.11	
	\$ 60.22			\$ 59.18	
Annual -all hrs					
	\$ 83.79	\$ 82.25	\$ 80.96	\$ 74.74	\$ 61.31
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**

Units @ Customer in kWh	RT(1)	RS(2)	GS(3)	GST (4)	OL/SL
Summer - all hrs	4,190,627		2,502,419,000		38,420,000
JCP&L On pk	35,828,501			73,178,439	
JCP&L Off pk	54,645,138			84,252,561	
Block 1 (0-600 kWh/m)		1,944,355,000			
Block 2 (>600 kWh/m)		1,876,408,000			
Winter - all hrs	10,448,775	5,649,119,000	4,288,972,000		77,234,000
JCP&L On pk	68,160,441			125,638,642	
JCP&L Off pk	126,858,400			158,684,358	
Summer Total	94,664,266	3,820,763,000	2,502,419,000	157,431,000	38,420,000
Winter Total	205,487,617	5,649,119,000	4,288,972,000	284,323,000	77,234,000
Annual Total	300,131,883	9,469,882,000	6,791,391,000	441,754,000	115,654,000
					Total
					6,613,697,266
					10,505,115,617
					17,118,812,883

Table #15

Summary of Total Estimated BGS Costs by Season					
	RT(1)	RS(2)	GS(3)	GST (4)	Total
Total Costs by Rate - in \$1000	\$ 360		\$ 202,280		\$ 2,302
Summer - all hrs	\$ 4,710		\$	7,232	\$
JCP&L On pk	\$ 3,065		\$	4,696	\$
JCP&L Off pk		148,884			
Block 1 (0-600 kWh/m)		159,916			
Block 2 (>600 kWh/m)					
Winter - all hrs	\$ 865	470,104	343,500	11,698	4,789
JCP&L On pk	\$ 8,509			9,391	
JCP&L Off pk	\$ 7,639				
Total Costs - in \$1000	\$ 8,135	308,799	202,280	11,928	2,302
Summer	\$ 17,013	470,104	343,500	21,089	4,789
Winter	\$ 25,148	778,903	545,780	33,017	7,091
Total					\$ 533,444
% of Annual Total \$	32%	40%	37%	36%	32%
Summer	68%	60%	63%	64%	68%
Winter					52%

**Jersey Central Power & Light
Attachment 2**

Table #16 & Table #17 Not Applicable to 2012/2013 BGS Supply Period

Table #18 Bulk System Costs

ALL RATES
 Grand Total Cost in \$1000 = \$ 1,389,939
 All-In Average costs @ bulk system = \$ 72.62 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):
 Summer \$ 72.14 per MWh @ bulk system **Ratio to All-In Cost (rounded to 4 decimal places)** 0.9934
 Winter \$ 72.93 per MWh @ bulk system Winter 1.0042

Assumptions:

Generation Capacity Cost = \$ 135.18 per MW day Summer
 \$ 135.18 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 6/12 to 5/13 Forwards @ PJM West corrected for hub-zone basis differential
 Usage patterns = forecasted 2011 energy use by class based upon PJM on/off % from 2008 through 2010 class load profiles
 JCP&L billing on/off % from 2011 forecasted billing determinants
 Obligations = class totals for 2011 excluding accounts required to take service under BGS-CIEP as of June 1, 2012
 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
2012 BGS Auction Cost and Bid Factor Tables

BGS-FP Composite Cost Allocation

Table #C1

Post Transition Year 8 Costs in \$1,000's	Size of Tranches =	34.09%						
Total Costs by Rate - in \$1000	RT(1)	RS(2)	GS(3)	GST (4)	OLJSL			
Summer - all hrs	\$ 479	\$	\$ 286,750	\$ 9,760	\$ 2,944			
JCP&L On pk	\$ 6,462			\$ 5,934				
JCP&L Off pk	\$ 3,877	\$ 199,107						
Block 1 (0-600 kWh/m)		\$ 208,384						
Block 2 (>600 kWh/m)								
Winter - all hrs	\$ 1,136	\$ 613,131	\$ 448,855	\$ 15,971	\$ 5,991			
JCP&L On pk	\$ 11,789			\$ 11,462				
JCP&L Off pk	\$ 9,413							
Total Costs - in \$1000								
Summer	\$ 10,818	\$ 407,492	\$ 286,750	\$ 15,694	\$ 2,944		\$ 703,698	
Winter	\$ 22,338	\$ 613,131	\$ 448,855	\$ 27,433	\$ 5,991		\$ 1,117,749	
Total	\$ 33,156	\$ 1,020,623	\$ 715,604	\$ 43,127	\$ 8,935		\$ 1,821,446	

Table #C2

Post Transition Year 9 Costs in \$1,000's	Size of Tranches =	27.27%						
Total Costs by Rate - in \$1000	RT(1)	RS(2)	GS(3)	GST (4)	OLJSL			
Summer - all hrs	\$ 457	\$	\$ 259,988	\$ 9,262	\$ 3,056			
JCP&L On pk	\$ 5,791			\$ 6,238				
JCP&L Off pk	\$ 4,072	\$ 193,025						
Block 1 (0-600 kWh/m)		\$ 202,514						
Block 2 (>600 kWh/m)								
Winter - all hrs	\$ 1,097	\$ 592,382	\$ 439,552	\$ 15,271	\$ 6,246			
JCP&L On pk	\$ 10,642			\$ 12,058				
JCP&L Off pk	\$ 9,840							
Total Costs - in \$1000								
Summer	\$ 10,320	\$ 395,538	\$ 259,988	\$ 15,500	\$ 3,056		\$ 684,402	
Winter	\$ 21,580	\$ 592,382	\$ 439,552	\$ 27,329	\$ 6,246		\$ 1,087,090	
Total	\$ 31,900	\$ 987,921	\$ 699,540	\$ 42,829	\$ 9,301		\$ 1,771,491	

(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 750 kW and above 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 10 Costs in \$1,000's	Size of Tranches = <u>38.64%</u>				
	RT(1)	RS(2)	GS(3)	GST (4)	OUJSL
Total Costs by Rate - in \$1000					
Summer - all hrs	\$ 360	\$	202,280	\$	2,302
JCP&L On pk	\$ 4,710			\$ 7,232	
JCP&L Off pk	\$ 3,065			\$ 4,696	
Block 1 (0-600 kWh/m)		\$ 148,884			
Block 2 (>600 kWh/m)		\$ 159,916			
Winter - all hrs	\$ 865	\$ 470,104	\$ 343,500	\$	4,789
JCP&L On pk	\$ 8,509			\$ 11,698	
JCP&L Off pk	\$ 7,639			\$ 9,391	
Total Costs - in \$1000					
Summer	\$ 8,135	\$ 308,799	\$ 202,280	\$ 11,928	\$ 2,302
Winter	\$ 17,013	\$ 470,104	\$ 343,500	\$ 21,089	\$ 4,789
Total	\$ 25,148	\$ 778,903	\$ 545,780	\$ 33,017	\$ 7,091
					\$ 533,444
					\$ 856,494
					\$ 1,389,938

Table #C4

Composite (Tranche Weighted) Costs in \$1,000's	RT(1)	RS(2)	GS(3)	GST (4)	OUJSL
Total Costs by Rate - in \$1000					
Summer - all hrs	\$ 427	\$	239,995	\$	2,727
JCP&L On pk	\$ 5,602			\$ 8,647	
JCP&L Off pk	\$ 3,616			\$ 5,539	
Block 1 (0-600 kWh/m)		\$ 178,042			
Block 2 (>600 kWh/m)		\$ 188,055			
Winter - all hrs	\$ 1,021	\$ 552,207	\$ 405,609	\$ 14,129	5,596
JCP&L On pk	\$ 10,209			\$ 10,824	
JCP&L Off pk	\$ 8,844				
Total Costs - in \$1000					
Summer	\$ 9,645	\$ 366,097	\$ 239,995	\$ 14,186	\$ 2,727
Winter	\$ 20,074	\$ 552,207	\$ 405,609	\$ 24,953	\$ 5,596
Total	\$ 29,719	\$ 918,304	\$ 645,604	\$ 39,139	\$ 8,323
					\$ 632,650
					\$ 1,008,439
					\$ 1,641,089

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

Table #C5	Units @ Customer Forecasted 2011 in kWh	RT(1)	RS(2)	GS(3)	GST (4)	OLUSL
	Summer - all hrs	4,190,627		2,502,419,000		38,420,000
	JCP&L On pk	35,828,501			73,178,439	
	JCP&L Off pk	54,645,138			84,252,561	
	Block 1 (0-600 kWh/m)	1,944,355,000				
	Block 2 (>600 kWh/m)	1,876,408,000				
	Winter - all hrs	10,448,775	5,649,119,000	4,288,972,000	125,638,642	77,234,000
	JCP&L On pk	68,160,441			158,684,358	
	JCP&L Off pk	126,858,400				
	Summer Total	94,664,266	3,820,763,000	2,502,419,000	157,431,000	38,420,000
	Winter Total	205,467,617	5,649,119,000	4,288,972,000	284,323,000	77,234,000
	Annual Total	300,131,883	9,469,882,000	6,791,391,000	441,754,000	115,654,000
						Total
						6,819,697,266
						10,505,115,617
						17,118,812,883

Table #C6	Summary of BGS Unit Costs @ customer	RT(1)	RS(2)	GS(3)	GST (4)	OLUSL
	NON-DEMAND RATES includes energy, Generation & Transmission obligations, and Ancillary Services - adjusted to billing time periods in \$/MWh					
	Summer - all hrs	\$ 101.89	\$	95.91	\$	\$ 70.97
	JCP&L On pk	\$ 156.35			\$ 118.17	
	JCP&L Off pk	\$ 66.18			\$ 65.74	
	Block 1 (0-600 kWh/m)	\$	\$ 91.57			
	Block 2 (>600 kWh/m)	\$	\$ 100.22			
	Winter - all hrs	\$ 97.70	\$ 97.75	94.57	\$ 112.46	\$ 72.45
	JCP&L On pk	\$ 149.78			\$	
	JCP&L Off pk	\$ 69.72			\$ 66.21	
	Annual -all hrs	\$ 99.02	\$ 96.97	95.06	\$ 88.60	\$ 71.96
	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 = \$ 1,641,089
All-In Average costs @ bulk system = \$ 85.75 per MWh at bulk system (per bulk system metered MWh)
All-In Average costs @ transmission nodes = \$ 86.99 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					
JCP&L On pk	1.171	1.102	1.103	1.358	0.816
JCP&L Off pk	1.797			0.756	
	0.761				
Constant for Block 1 (0-600 kWh/m) usage (Excl. SUT)		(4.249)			
Constant for Block 2 (>600 kWh/m) usage (Excl. SUT)		4.403			
Winter - all hrs					
JCP&L On pk	1.123	1.124	1.087	1.293	0.833
JCP&L Off pk	1.722			0.784	
	0.801				
Annual - all hrs					
	1.138	1.115	1.093	1.019	0.827

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