

Jersey Central Power and Light Company

Calculation of Composite BGS-FP Price
June 1, 2009 through May 31, 2010

	BGS Post Transition Year 5	BGS Post Transition Year 6	BGS Post Transition Year 7	Total BGS-FP Cost
	1 Year Term Remaining	2 Year Term Remaining	3 Year Term	
Final Auction Price - in \$/MWh	\$ 99.64	\$ 114.09	\$ 114.09	(Note 1)
# of Tranches for Bid	15	12	17	
Total # of Tranches	44	44	44	
<u>Seasonal Factors</u>				
Summer	1.1145	1.0552	1.0130	
Winter	0.9286	0.9656	0.9919	
<u>Applicable Customer Usage @ transmission node</u>				
Summer MWh	7,532,116	7,532,116	7,532,116	7,532,116
Winter MWh	12,138,606	12,138,606	12,138,606	12,138,606
<u>All-in BGS-FP Cost</u>				
Summer	\$ 285,147,372	\$ 247,302,173	\$ 336,333,611	\$ 868,783,156
Winter	\$ 382,886,272	\$ 364,705,424	\$ 530,738,424	\$ 1,278,330,120
Total	\$ 668,033,645	\$ 612,007,596	\$ 867,072,035	\$ 2,147,113,276

Assumed Composite Bid Price \$ 109.15

Note (1): For illustrative purposes, assumed BGS Post Transition Year 7 final auction price at \$114.09/MWh.

Derivation of BGS-FP Energy Charges (excl. SUT)
June 1, 2009 through May 31, 2010

Assumed Composite Bid Price \$0.109150 (1)

Prices Before Rate Design Changes:

Prices After Rate Design Changes:

Rate Class & Usage Type	Ratio of Retail BGS Price to Wholesale BGS Price (2)		Resulting Retail BGS Price Prior to Usage Block Adjustment		Usage Block Adjustment for RS (2)	Resulting Retail BGS Price After RS Usage Block Adjustment		Proposed Rate Design Changes (3)		Resulting Retail BGS Price After Rate Design Changes	
	Summer	Winter	Summer	Winter	Summer	Summer	Winter	Summer	Winter	Summer	Winter
RS - 1 to 600	1.175	1.086	\$0.128251	\$0.118537	-\$0.004083	\$0.124168	\$0.118537		-\$0.001359	\$0.124168	\$0.117178
RS 600 - 2500	1.175	1.086	\$0.128251	\$0.118537	\$0.004569	\$0.132820	\$0.118537		-\$0.001359	\$0.132820	\$0.117178
RS Over 2500	1.175	1.086	\$0.128251	\$0.118537	\$0.004569	\$0.132820	\$0.118537	\$0.084486	-\$0.028541	\$0.217306	\$0.089996
RT - On-peak 0 - 1000	1.692	1.387	\$0.184682	\$0.151391		\$0.184682	\$0.151391		-\$0.002270	\$0.184682	\$0.149121
RT - On-peak Over 1000	1.692	1.387	\$0.184682	\$0.151391		\$0.184682	\$0.151391	\$0.168247	-\$0.047660	\$0.352929	\$0.103731
RT - Off-peak	0.756	0.794	\$0.082517	\$0.086665		\$0.082517	\$0.086665			\$0.082517	\$0.086665
CTWH & OPWH	1.129	1.003	\$0.123230	\$0.109477		\$0.123230	\$0.109477			\$0.123230	\$0.109477
GS - 0 to 2500	1.147	1.046	\$0.125195	\$0.114171		\$0.125195	\$0.114171	\$0.018113	-\$0.004425	\$0.143308	\$0.109746
GS - Over 2500	1.147	1.046	\$0.125195	\$0.114171		\$0.125195	\$0.114171	-\$0.011503	-\$0.004425	\$0.113692	\$0.109746
GS - Demand (kW)								\$5.55		\$5.55	
GST On-Peak	1.537	1.322	\$0.167764	\$0.144296		\$0.167764	\$0.144296			\$0.167764	\$0.144296
GST Off-Peak	0.753	0.783	\$0.082190	\$0.085464		\$0.082190	\$0.085464			\$0.082190	\$0.085464
OL/SL	0.852	0.849	\$0.092996	\$0.092668		\$0.092996	\$0.092668			\$0.092996	\$0.092668

(1) Assumed Composite Bid Price from page 1.

(2) Table #C7 of BGS-FP pricing spreadsheet

(3) Table #C8 of BGS-FP pricing spreadsheet

BGS-FP Revenues Before and After Proposed Rate Design Changes

Rate Class & Usage Type	kWh/kW used to derive BGS-FP prices		Before Rate Design Changes Retail BGS Price (1)		Before Rate Design Changes BGS Revenue		After Rate Design Changes Retail BGS Price (1)		After Rate Design Changes BGS Revenue		Difference
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	
RS - 1 to 600	2,009,465,000	2,953,544,927	\$0.124168	\$0.118537	\$249,511,250	\$350,104,355	\$0.124168	\$0.117178	\$249,511,250	\$346,090,487	
RS 600 - 2500	1,624,993,131	2,388,441,808	\$0.132820	\$0.118537	\$215,831,588	\$283,118,727	\$0.132820	\$0.117178	\$215,831,588	\$279,872,834	
RS Over 2500	170,690,869	250,884,265	\$0.132820	\$0.118537	\$22,671,161	\$29,739,068	\$0.217306	\$0.089996	\$37,092,150	\$22,578,580	
Total RS Annual Revenues					\$ 1,150,976,149				\$ 1,150,976,889		\$ 740
RT - On-peak 0 - 1000	52,102,962	104,657,990	\$0.184682	\$0.151391	\$9,622,479	\$15,844,278	\$0.184682	\$0.149121	\$9,622,479	\$15,606,704	
RT - On-peak Over 1000	3,275,554	6,579,527	\$0.184682	\$0.151391	\$604,936	\$996,081	\$0.352929	\$0.103731	\$1,156,038	\$682,501	
RT - Off-peak	83,754,969	204,766,256	\$0.082517	\$0.086665	\$6,911,209	\$17,746,068	\$0.082517	\$0.086665	\$6,911,209	\$17,746,068	
Total RT Annual Revenues					\$ 51,725,051				\$ 51,724,999		\$ (52)
CTWH & OPWH	5,985,515	14,398,227	\$0.123230	\$0.109477	\$737,595	\$1,576,275	\$0.123230	\$0.109477	\$737,595	\$1,576,275	
GS - 0 to 2500	584,429,413	1,026,310,468	\$0.125195	\$0.114171	\$73,167,640	\$117,174,892	\$0.143308	\$0.109746	\$83,753,410	\$112,633,469	
GS - Over 2500	2,056,795,587	3,611,917,532	\$0.125195	\$0.114171	\$257,500,524	\$412,376,237	\$0.113692	\$0.109746	\$233,841,204	\$396,393,501	
GS - Demand (kW)	6,056,911						\$5.55		\$33,615,856		
Total GS Annual Revenues					\$ 860,219,293				\$ 860,237,440		\$ 18,147
GST On-Peak	101,287,247	174,505,698	\$0.167764	\$0.144296	\$16,992,354	\$25,180,474	\$0.167764	\$0.144296	\$16,992,354	\$25,180,474	
GST Off-Peak	116,076,753	220,574,302	\$0.082190	\$0.085464	\$9,540,348	\$18,851,162	\$0.082190	\$0.085464	\$9,540,348	\$18,851,162	
OL/SL	38,038,000	77,737,000	\$0.092996	\$0.092668	\$3,537,382	\$7,203,732	\$0.092996	\$0.092668	\$3,537,382	\$7,203,732	
Total Revenues					\$2,146,539,815				\$2,146,558,650		
Difference in BGS Revenue Due to Rounding ==>											\$18,835

(1) From page 2 of 3