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December 30, 2021

VIA ELECTRONIC MAIL

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Street
3rd Floor Suite 314
Trenton, New Jersey 08625
Board.secretary@bpu.nj.gov

**Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company
Constituting Its Annual Filing With Respect to the Tax Act Adjustment of Its
Filed Tariff (“2020 TAA Filing”)
BPU Docket No. _____**

Dear Secretary Camacho-Welch:

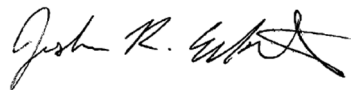
On behalf of Jersey Central Power & Light Company (“JCP&L” or the “Company”), enclosed herewith for filing with the Board of Public Utilities (the “Board”) is the JCP&L’s Verified Petition and supporting Attachments in the above-captioned matter relating to the Tax Act Adjustment (“TAA”) of its Tariff.

As noted in the Verified Petition (at ¶3), the purpose of this filing is to provide for the review and reconciliation of JCP&L’s Rider TAA rates and revenues from January 1, 2020 to December 31, 2020. For the reasons discussed in ¶14 of the Verified Petition, JCP&L is proposing to maintain Rider TAA at current Board-approved rates.

I hereby confirm that copies of this letter and the enclosed Verified Petition and supporting Attachments are this day being served by electronic mail upon the Director, Division of Rate Counsel, and upon the Department of Law & Public Safety, Division of Law, as set forth in ¶17 of the Verified Petition. Copies of all such documents are also being transmitted by electronic mail to the balance of the person named in the attached Service List for this proceeding.

If you have any questions, please feel free to contact me.

Very truly yours,



Joshua R. Eckert
Counsel for Jersey Central Power & Light Company

cc: Service List

**In the Matter of the Verified Petition of Jersey Central Power & Light Company
Constituting Its Annual Filing With Respect to the Tax Act Adjustment of Its Filed Tariff
("2020 TAA Filing")**

BPU Docket No. _____

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

In the Matter of the Verified Petition of Jersey	:	
Central Power & Light Company Constituting	:	BPU Docket No.
Its Annual Filing With Respect to the Tax Act	:	
Adjustment of Its Filed Tariff (“ 2020 TAA	:	
Filing ”)	:	VERIFIED PETITION
	:	
	:	

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

Petitioner, Jersey Central Power & Light Company (the “Petitioner”, the “Company” or “JCP&L”), an electric public utility company of the State of New Jersey subject to the regulatory jurisdiction of the Board of Public Utilities (the “Board”), and maintaining offices at 300 Madison Avenue, Morristown, New Jersey 07962-1911, and 101 Crawford Corners Road, Building 1, Suite 1-511, Holmdel, New Jersey 07733, in support of its above-captioned Verified Petition, respectfully shows:

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

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

**Gregory Eisenstark, Esq.
Cozen O’Connor
One Gateway Center, Suite 910
Newark, NJ 07102**

-and-

**Lauren Lepkoski, Esq.
FirstEnergy Corp.
2800 Pottsville Pike
Reading, PA 19612-6001**

- and -

**Joshua R. Eckert, Esq.
Mark A. Mader
Yongmei Peng
James E. O'Toole
Jersey Central Power & Light Company
300 Madison Avenue
Morristown, New Jersey 07962-1911**

- and -

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

Purpose of Filing

3. The purpose of this filing is to provide for the review and reconciliation of JCP&L's Rider Tax Act Adjustment ("TAA") rates and revenues from January 1, 2020 to December 31, 2020. Rider TAA was established to facilitate the amortization, and return to customers, of a net regulatory liability resulting from a reduction in the maximum corporate tax rate pursuant to the Federal Tax Cuts and Jobs Act ("2017 Act"), which was passed on December 22, 2017. Rider TAA includes: 1) amortization of the property-related unprotected Excess Deferred Income Tax ("EDIT") liability; 2) the amortization of the non-property unprotected EDIT asset; 3) the amortization of the property-related protected EDIT asset in accordance with the Average Rate Assumption Method ("ARAM"), which was deferred with interest for the period January 1, 2018 to March 31, 2018 ("Stub Period"); 4) the return on the cumulative monthly change

in rate base; 5) Other Amortization; 6) payment of a one-time bill credit equal to amounts deferred, including interest, for the Stub Period related to the annualized change in base rates of \$28.6 million as a result of the change in the corporate federal tax rate; and (7) ARAM return to accrual amounts attributable to the Company's 2018 and 2019 tax returns, which is an adjustment to ARAM amortization to reconcile the Company's estimate of the annual ARAM amortization with the actual annual ARAM amortization, once finalized in the Company's federal tax return.

4. Through December 31, 2020, the cumulative net regulatory liability for the Company's Rider TAA was under-refunded by \$1,736,595. The estimated regulatory liability for the period of January 1, 2021 through December 31, 2021 is forecasted to be under-refunded by \$468,674, based on actual data through November 30, 2021 and the Company's forecasted amortization schedule. The cumulative under-refunded amount is forecasted to be \$2,205,270 through December 31, 2021. Given the relatively minor over-recovery and current business conditions, JCP&L proposes that the Company's current rate for Rider TAA remain unchanged.

Procedural History

5. On December 22, 2017, the 2017 Act was signed into law, with an effective date of January 1, 2018. The 2017 Act set forth changes to the Federal Internal Revenue Tax Code ("Tax Code"). One significant change was the reduction in the maximum corporate tax rate from 35% to 21%, which took effect on January 1, 2018.

6. On January 31, 2018, the Board issued an Order ("Generic TCJA Order")¹ which directed each utility (with revenues in excess of \$4.5 million annually) impacted by the 2017 Act to: (1) defer on its books (with interest at the utility's approved overall weighted average cost of

¹ *In re the New Jersey Board of Public Utilities Consideration of the Tax Cuts and Jobs Act of 2017*, BPU Docket No. AX18010001 (January 31, 2018).

capital (“WACC”)) the effects of the 2017 Act on its accumulated deferred incomes taxes (“ADIT”), effective January 1, 2018; and (2) defer on its books the impact of the 2017 Act on the “gross-up” of the utility’s revenue requirement (reflecting the reduction in the federal income tax rate from 35% to 21%), also effective as of January 1, 2018.

7. Similarly, the Board ordered the utilities to file a petition by March 2, 2018 that proposed revised rates (effective on an interim basis April 1, 2018) to reflect the reduction in the “gross-up” under the 2017 Act. The Board also specified that the utility petition should propose a mechanism to return the EDIT to customers, with a target effective date of July 1, 2018.²

8. On March 2, 2018, JCP&L filed a Verified Petition with supporting schedules in compliance with the Board’s Generic TCJA Order (“Petition”).

9. On April 24, 2019, the parties filed a Stipulation of Settlement (“Stipulation”) in which the parties agreed that, *inter alia*, JCP&L will file a petition annually for the purpose of reviewing and reconciling its Rider TAA rates and revenues³, which will include the amortization of: 1) the property-related unprotected EDIT liability; 2) the non-property unprotected EDIT asset; 3) the ARAM Stub Period Amount; 4) return on the cumulative monthly change in rate base; and 5) Other Amortization. Pursuant to the Stipulation, Rider TAA expires after five years.

10. On May 8, 2019, the Board issued an Order adopting the Stipulation without modification and directing JCP&L to file conforming tariff sheets in accordance with same prior to May 15, 2019.

11. On December 29, 2020, JCP&L filed a petition with supporting schedules to reconcile Rider TAA for the period of Mach 15, 2019 through December 31, 2019 (“2019 Rider TAA Filing”). In the 2019 Rider TAA Filing, JCP&L’s calculated the net regulatory liability in the

² *Generic TCJA Order* at pp. 2 – 5.

³ Under the Stipulation, the adjustment to base rates for ARAM amortization will be reconciled in future base rate cases.

Company's Rider TAA balance as a relatively small under-refunded amount to customers. Given the relatively small amount of the under-refunded amount and the then-current business conditions, including reduced sales as a result of the coronavirus pandemic, JCP&L proposed that the Rider TAA rate be maintained at current Board-approved rates. The 2019 Rider TAA Filing remains pending before the Board.

Reconciliation of TAA Components

12. Per the Stipulation, there are five components to JCP&L's Rider TAA: 1) amortization of the property-related unprotected EDIT liability; 2) amortization of the non-property unprotected EDIT asset; 3) the Average Rate Assumption Method ("ARAM") Stub Period Amount; 4) return on the cumulative monthly change in rate base; and 5) Other Amortization. In addition, the calculation of the Rider TAA net regulatory liability also includes payment of a one-time bill credit equal to amounts deferred, including interest, for the Stub Period related to the annualized change in base rates of \$28.6 million as a result of the change in the corporate federal tax rate. As detailed below and in the Attachments, JCP&L's Rider TAA net regulatory liability had a cumulative under-refunded balance, as of December 31, 2020, of \$1,736,595 and is estimated to be under-refunded by \$2,205,270 as of December 31, 2021.

13. As detailed in Attachments A and B, the balances in each of the components JCP&L's Rider TAA amortization from January 1, 2020 through December 31, 2020 are as follows: (1) a property-related unprotected EDIT liability of \$29,723,820; (2) a non-property unprotected EDIT asset of \$22,788,830; (3) amortization of the property-related protected EDIT asset in accordance with the ARAM of \$7,044,975; (4) the return on the cumulative monthly change in rate base of \$1,186,512; and (5) Other Amortization of \$1,650,000. In addition, JCP&L's calculation of the net regulatory liability balance in Rider TAA includes the following adjustments, as detailed

in Attachments A and B: (1) amortization of the ARAM Stub Period deferred liability of \$1,833,484, which was attributable to the property-related protected EDIT liability for the period January 1, 2020 through December 31, 2020; (2) an ARAM 2018 return to accrual amortization of \$360,167; and (3) an ARAM 2019 return to accrual amortization of \$52,349.

14. As detailed above and in the Attachments to this Verified Petition, JCP&L's calculation of the net regulatory liability in the Company's Rider TAA balance is a relatively small under-refunded amount to customers. The under-funded amount change is due to the reset of the Return on Change in Rate Base. Rate Base as approved by the BPU in the Company's last base rate case⁴ included amortized EDITs through June 30, 2020. Therefore, it was necessary to reset to zero the accumulated return on the change in rate base under Rider TAA, corresponding to this date. Also, the Rate of Return effective January 1, 2021 was modified from 9.16% to 9.34% (on a pre-tax basis), which resulted from the 2020 Base Rate Case. Given the relatively small amount of the under-refunded amount and current business conditions, JCP&L proposes that the Rider TAA rate be maintained at current Board-approved rates.

Attachments

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

Attachments:

Attachment A	Summary of Rider TAA Component Balances as of December 31, 2020 (and forecasted data through December 31, 2021)
Attachment B	Calculation of Rider TAA (Over)/Under Recovery
Attachment C	Calculation of Rider TAA Rate by Rate Class

⁴ *I/M/O the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to its Rates and Charges for Electric Service, et al.*, BPU Dkt. No. ER20020146, Order dated October 28, 2020.

Public Notice and Service

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

Service of Petition

17. Consistent with the Board's March 19, 2020 Order in Docket No. EO20030254, copies of this Verified Petition and of all supporting Attachments thereto have been or will be duly served by electronic mail to the Division of Rate Counsel and the Department of Law & Public Safety, Division of Law. No paper copies will follow.

CONCLUSION

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

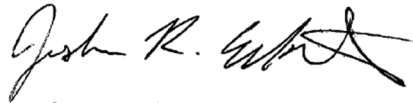
- (1) approving the reasonableness of JCP&L's calculation of its Rider TAA balance as of December 31, 2020;
- (2) approving the maintenance of the Company's Rider TAA charge at the current Board-approved rates set forth in JCP&L's Rider TAA Tariff, Original Sheet No. 66; and

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

Respectfully submitted,



Gregory Eisenstark
Cozen O'Connor, P.C.
Attorneys for Jersey Central Power &
Light Company
One Gateway Center, Suite 910
Newark, New Jersey 07102



Joshua R. Eckert
FirstEnergy Service Company
300 Madison Ave.
Morristown, New Jersey 07962
jeckert@firstenergycorp.com

Dated: December 30, 2021

Counsel for Jersey Central Power & Light Company

AFFIDAVIT
OF
VERIFICATION

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

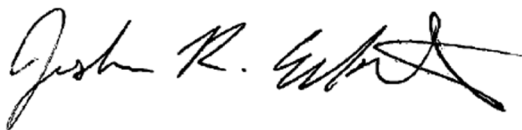
1. I am Director of Rates and Regulatory Affairs – New Jersey for Jersey Central Power & Light Company (“JCP&L”), the Petitioner named in the foregoing Verified Petition, and I am duly authorized to make this Affidavit of Verification on its behalf.

2. I have read the contents of the foregoing Verified Petition by JCP&L constituting its annual filing with respect to the Tax Act Adjustment clause of its filed Tariff, and I hereby verify that the statements of fact and other information contained therein are true and correct to the best of my knowledge, information and belief.



Mark A. Mader

Sworn to and subscribed before me
this 30th day of December, 2021.



Joshua R. Eckert
An Attorney-at-Law licensed to practice in the State of New Jersey
Attorney ID: 250992018

JERSEY CENTRAL POWER & LIGHT COMPANY
Rider TAA ("Tax Act Adjustment")
For Tariff Rider Effective June 1, 2022

Line No.		Actual Year 2019 (1)	Actual Year 2020 (2)	Actual/Forecast Year 2021 (3)	Total as of 12/31/2021 (4)	Data Sources Attachment B
	<u>Rider TAA</u>					
1	Total TAA Revenue Reduction	\$ 10,775,027	\$ 5,035,408	\$ 5,088,419	\$ 20,898,854	Line No. 1
2	One Time Bill Credit (Base Rate Stub Period)	(7,044,975)	-	-	(7,044,975)	Line No. 2
3	ARAM Deferral Amortization	(1,153,321)	(1,833,484)	(1,833,484)	(4,820,289)	Line No. 3
4	2018 Return to Accrual Amortization (RTA)	(120,056)	(360,167)	(360,167)	(840,389)	Line No. 4
5	2019 Return to Accrual Amortization (RTA)		(52,349)	(157,048)	(209,397)	Line No. 5
6	Property Related Unprotected Amortization	(18,697,241)	(29,723,820)	(29,723,820)	(78,144,881)	Line Nos. 6 & 7
7	Non Property Unprotected Amortization	14,334,909	22,788,830	22,788,830	59,912,569	Line No. 8
8	Other Amortization	1,037,903	1,650,000	1,650,000	4,337,903	Line No. 9
9	Return on Change in Rate Base	440,228	1,186,512	2,078,595	3,705,336	Line No. 10
10	(Over)/Under Recovery	<u>(427,525)</u>	<u>(1,309,070)</u>	<u>(468,674)</u>	<u>(2,205,270)</u>	Line No. 12
11	Total Refundable Rider TAA Balance	<u>\$ (427,525)</u>	<u>\$ (1,309,070)</u>	<u>\$ (468,674)</u>	<u>\$ (2,205,270)</u>	Line No. 12
	<u>Summary of Tariff Rider TAA:</u>					
12	2019 Actual (Over) Recovery	(427,525)			(427,525)	Line 12
13	2020 Actual (Over) Recovery		(1,309,070)		(1,309,070)	Line 12
14	2021 Actual/Forecast Under Recovery			(468,674)	(468,674)	Line 12
15	Total (Over)/Under Recovery Rider TAA Balance	<u>\$ (427,525)</u>	<u>\$ (1,309,070)</u>	<u>\$ (468,674)</u>	<u>\$ (2,205,270)</u>	Total Lines 12 & 13

Jersey Central Power & Light Company
Calculation of (Over)/Under Recovery
Rider TAA (Tax Act Adjustment)

Line No.	Amortization Period	ACTUAL May-19	ACTUAL Jun-19	ACTUAL Jul-19	ACTUAL Aug-19	ACTUAL Sep-19	ACTUAL Oct-19	ACTUAL Nov-19	ACTUAL Dec-19	YTD 2019
Calculation of Monthly TAA Deferred Cost:										
1	Current Month TAA Accounts Revenue (Tariff Rider TAA)	\$ 647,043	\$ 5,902,340	\$ 1,974,974	\$ 595,993	\$ 506,936	\$ 396,870	\$ 346,616	\$ 404,257	\$ 10,775,027
2	One Time Bill Credit (Base Rate Stub Period)	\$ (7,044,975)								\$ (7,044,975)
3	ARAM Deferral	\$ (83,788)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (1,153,321)
4	ARAM 2018 RTA					\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (120,056)
5	ARAM 2019 RTA									\$ -
6	Property-Related Unprotected Amort	\$ (1,516,199)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (20,870,028)
7	Property-Related Unprotected Amort (Excess COR)	\$ 157,852	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 2,172,786
8	Non-Property Unprotected Amort	\$ 1,041,425	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 14,334,909
9	Other Amortization	\$ 75,403	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 1,037,903
10	Return on Change in Rate Base	\$ 7,454	\$ 21,047	\$ 34,639	\$ 48,232	\$ 61,825	\$ 75,418	\$ 89,010	\$ 102,603	\$ 440,228
11	Total Balance/Expense Credit	\$ (7,362,828)	\$ (572,159)	\$ (558,567)	\$ (544,974)	\$ (561,395)	\$ (547,802)	\$ (534,210)	\$ (520,617)	\$ (11,202,552)
12	Amount (Over)/Under Recovered	\$ (6,715,785)	\$ 5,330,180	\$ 1,416,407	\$ 51,019	\$ (54,459)	\$ (150,933)	\$ (187,594)	\$ (116,360)	\$ (427,525)
13	Cumulative (Over)/Under Recovered	\$ (6,715,785)	\$ (1,385,605)	\$ 30,802	\$ 81,821	\$ 27,362	\$ (123,571)	\$ (311,165)	\$ (427,525)	\$ (427,525)

Jersey Central Power & Light Company
Calculation of (Over)/Under Recovery
Rider TAA (Tax Act Adjustment)

Line No.	ACTUAL Jan-20	ACTUAL Feb-20	ACTUAL Mar-20	ACTUAL Apr-20	ACTUAL May-20	ACTUAL Jun-20	ACTUAL Jul-20
Calculation of Monthly TAA Deferred Cost:							
1	\$ 421,949	\$ 392,119	\$ 380,841	\$ 355,151	\$ 338,254	\$ 403,398	\$ 525,922
2	One Time Bill Credit (Base Rate Stub Period)						
3	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)
4	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)
5	ARAM 2019 RTA						
6	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)
7	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848
8	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069
9	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500
10	\$ 116,196	\$ 129,788	\$ 143,381	\$ 156,974	\$ 170,567	\$ 184,159	\$ 13,593
11	\$ (507,024)	\$ (493,432)	\$ (479,839)	\$ (466,246)	\$ (452,653)	\$ (439,061)	\$ (609,627)
12	\$ (85,075)	\$ (101,313)	\$ (98,998)	\$ (111,096)	\$ (114,399)	\$ (35,662)	\$ (83,705)
13	\$ (512,600)	\$ (613,913)	\$ (712,911)	\$ (824,007)	\$ (938,406)	\$ (974,068)	\$ (1,057,773)

Jersey Central Power & Light Company
Calculation of (Over)/Under Recovery
Rider TAA (Tax Act Adjustment)

Line No.	ACTUAL Aug-20	ACTUAL Sep-20	ACTUAL Oct-20	ACTUAL Nov-20	ACTUAL Dec-20	YTD 2020
Calculation of Monthly TAA Deferred Cost:						
1	\$ 596,975	\$ 525,073	\$ 376,568	\$ 338,664	\$ 380,493	\$ 5,035,408
2	One Time Bill Credit (Base Rate Stub Period)					
3	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (1,833,484)
4	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (360,167)
5		\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (52,349)
6	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (33,177,993)
7	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 3,454,173
8	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 22,788,830
9	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 1,650,000
10	\$ 27,185	\$ 40,778	\$ 54,371	\$ 67,964	\$ 81,556	\$ 1,186,512
11	\$ (596,035)	\$ (595,529)	\$ (581,937)	\$ (568,344)	\$ (554,751)	\$ (6,344,478)
12	\$ 940	\$ (70,456)	\$ (205,368)	\$ (229,680)	\$ (174,258)	\$ (1,309,070)
13	\$ (1,056,833)	\$ (1,127,289)	\$ (1,332,657)	\$ (1,562,337)	\$ (1,736,595)	\$ (1,736,595)

Jersey Central Power & Light Company
Calculation of (Over)/Under Recovery
Rider TAA (Tax Act Adjustment)

Line No.	ACTUAL Jan-21	ACTUAL Feb-21	ACTUAL Mar-21	ACTUAL Apr-21	ACTUAL May-21	ACTUAL Jun-21	ACTUAL Jul-21
<u>Calculation of Monthly TAA Deferred Cost:</u>							
1	\$ 438,364	\$ 421,600	\$ 406,855	\$ 373,445	\$ 336,563	\$ 391,244	\$ 503,017
2	One Time Bill Credit (Base Rate Stub Period)						
3	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)
4	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)
5	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)
6	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)
7	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848
8	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069
9	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500
10	\$ 97,001	\$ 110,858	\$ 124,716	\$ 138,573	\$ 152,430	\$ 166,288	\$ 180,145
11	\$ (539,306)	\$ (525,449)	\$ (511,592)	\$ (497,734)	\$ (483,877)	\$ (470,020)	\$ (456,162)
12	\$ (100,942)	\$ (103,849)	\$ (104,737)	\$ (124,289)	\$ (147,314)	\$ (78,775)	\$ 46,854
13	\$ (1,837,537)	\$ (1,941,387)	\$ (2,046,124)	\$ (2,170,413)	\$ (2,317,727)	\$ (2,396,503)	\$ (2,349,648)

Jersey Central Power & Light Company
Calculation of (Over)/Under Recovery
Rider TAA (Tax Act Adjustment)

Line No.	ACTUAL Aug-21	ACTUAL Sep-21	ACTUAL Oct-21	ACTUAL Nov-21	FORECAST Dec-21	YTD 2021	Total 2019-2021
Calculation of Monthly TAA Deferred Cost:							
1	\$ 546,314	\$ 522,740	\$ 393,759	\$ 333,225	\$ 421,293	\$ 5,088,419	\$ 20,898,854
2						\$ -	\$ (7,044,975)
3	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (152,790)	\$ (1,833,484)	\$ (4,820,289)
4	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (30,014)	\$ (360,167)	\$ (840,389)
5	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (13,087)	\$ (157,048)	\$ (209,397)
6	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (2,764,833)	\$ (33,177,993)	\$ (87,226,013)
7	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 287,848	\$ 3,454,173	\$ 9,081,133
8	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 1,899,069	\$ 22,788,830	\$ 59,912,569
9	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 1,650,000	\$ 4,337,903
10	\$ 194,002	\$ 207,860	\$ 221,717	\$ 235,574	\$ 249,431	\$ 2,078,595	\$ 3,705,336
11	\$ (442,305)	\$ (428,448)	\$ (414,591)	\$ (400,733)	\$ (386,876)	\$ (5,557,093)	\$ (23,104,124)
12	\$ 104,009	\$ 94,292	\$ (20,831)	\$ (67,508)	\$ 34,417	\$ (468,674)	\$ (2,205,270)
13	\$ (2,245,639)	\$ (2,151,347)	\$ (2,172,178)	\$ (2,239,687)	\$ (2,205,270)	\$ (2,205,270)	\$ (2,205,270)

Proposed Rider TAA (Tax Act Adjustment)

To be refunded effective June 1, 2022

Total Tax Act Adjustment - (Reduction) \$ (1,736,595)

	<u>TOTAL</u>	<u>RS</u>	<u>RT/RGT</u>	<u>GS</u>	<u>GST</u>	<u>GP</u>	<u>GT</u>	<u>LTG</u>
Distribution Revenues (1)	\$ 634,392,138	\$ 342,778,135	\$ 7,086,673	\$ 203,724,758	\$ 12,195,631	\$ 27,983,604	\$ 21,140,629	\$ 19,482,708
% of total distribution revenues	100.0%	54.0%	1.1%	32.1%	1.9%	4.4%	3.3%	3.1%
TAA Reduction Allocation	-\$1,736,595	-\$938,326	-\$19,399	-\$557,679	-\$33,385	-\$76,603	-\$57,871	-\$53,332
% allocated	100.0%	54.0%	1.1%	32.1%	1.9%	4.4%	3.3%	3.1%
Total kWh Forecast (2)	19,791,363,826	9,207,171,813	193,668,515	6,319,656,963	482,485,421	1,612,701,040	1,860,299,739	115,380,335
TAA Credit (\$/kWh)		-\$0.000102	-\$0.000100	-\$0.000088	-\$0.000069	-\$0.000047	-\$0.000031	-\$0.000462
TAA Credit (\$/kWh with SUT)		-\$0.000109	-\$0.000107	-\$0.000094	-\$0.000074	-\$0.000050	-\$0.000033	-\$0.000493

Note:

(1) Based on JCP&L "2020 Base Rate Filing" in Docket No. ER20020146, PUC 04343-2020N Order dated October 28, 2020

(2) June 1, 2022 to May 31, 2023