

NOTICE TO JERSEY CENTRAL POWER & LIGHT COMPANY CUSTOMERS

**Notice of Filing and Public Hearings for Basic Generation Service Charges Procured
by JCP&L on behalf of its Basic Generation Service Customers
and**

**Notice of Proposed Recovery through its Basic Generation Service Charges of Costs Resulting from
Statewide Auction for Basic Generation Service In The Matter Of The Provision Of Basic Generation
Service For The Period Beginning June 1, 2020 BPU Docket No. ER19040428**

TAKE NOTICE that, on July 1, 2019, Jersey Central Power & Light Company ("JCP&L") filed a proposal (Annual Proposal for Basic Generation Service ("BGS") Requirements to be Procured Effective June 1, 2020) with the New Jersey Board of Public Utilities ("Board"), requesting that the Board approve the procurement of BGS supply through a statewide competitive auction process, with new BGS charges to become effective June 1, 2020. The Board docketed this matter as BPU Docket No. ER19040428. BGS is provided to all JCP&L customers who do not procure their electric supply requirements from a third-party supplier.

The Board mandates that all New Jersey Electric Distribution Companies ("EDCs"), including JCP&L, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act ("Act"). BGS is currently procured through a statewide competitive auction process in which all the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and has found that this auction process meets the statutory requirements of the Act.

On Thursday, September 19, 2019, beginning at 9:30 A.M., a "legislative-type" hearing on the BGS proposals will be held in the 1st Floor Multi-Purpose Conference Room of the Board's office located at 44 South Clinton Avenue, Trenton, New Jersey. It is anticipated that the Board will rule on the EDCs' BGS proposal(s) shortly thereafter. The Board's agenda schedules can be found at www.nj.gov/bpu.

The final price for Basic Generation Service – Residential Small Commercial Pricing (BGS-RSCP) supply resulting from the BGS-RSCP auction conducted in 2019 was 7.715 cents per kilowatt-hour for a 36-month supply period. This final price was blended with the prices procured for the previous two auctions to develop the BGS-RSCP rate paid by BGS-RSCP customers beginning June 1, 2019. For the Basic Generation Service – Commercial and Industrial Energy Pricing (BGS-CIEP) auction conducted in 2019, the Generation Capacity Charge cleared at \$246.01 per MW-day.

The final prices for the BGS supply procured in the 2020 BGS-RSCP and BGS-CIEP auctions may be higher than or lower than the auction clearing

prices obtained in the 2019 auction. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auctions, consistent with market conditions. BGS rates also include network transmission charges set by the Federal Energy Regulatory Commission ("FERC"). BGS-RSCP and BGS-CIEP rates may rise to reflect any increases in these FERC-approved network transmission charges.

Customer classes eligible to be served under the BGS-RSCP rate include customers served under JCP&L's distribution rate schedules RS, RT, RGT, OL, SVL, MVL and ISL, and customers served under JCP&L's distribution rate schedules GS and GST with a peak load share of less than 500 kW. JCP&L customers served under distribution rate schedules GS and GST with a peak load share of 500 kW or greater, and JCP&L customers served under distribution rate schedules GP and GT, are only eligible to be served under the BGS-CIEP rate

PLEASE TAKE NOTICE that the Board has scheduled the following date, time and location for a public hearing on the above filing so that members of the public may present their views. The hearing will continue until all public witnesses are heard.

Time: 1:30 PM, September 18, 2019
Location: Morris County Administration & Records Building
Public Meeting Room, 5th Floor
10 Court Street
Morristown, New Jersey

Persons requiring special accommodations because of disability should contact the Office of the Secretary of the Board at (609) 777-3300 at least 48 hours prior to the scheduled hearing so that appropriate arrangements can be made. Customers may file comments with the Secretary of the Board of Public Utilities at 44 South Clinton Avenue, 3rd Floor, Suite 314, PO Box 350, Trenton, New Jersey 08625-0350, ATTN: Aida Camacho-Welch or by email at board.secretary@bpu.nj.gov, regardless of whether they attend the public hearing. Copies of the relevant filings associated with this matter are available at <http://bgs-auction.com/bgs.auction.regproc.asp>.

JERSEY CENTRAL POWER & LIGHT COMPANY