(c)

8/20/15 cc: Admin
Sej

Jersey Central
Power & Light
A FirstEnergy Company

300 Madison Avenue
P.O. Box 1911
Morristown, NJ 07962-1911

August 18, 2015

RECEIVED
AUG 20 2015
Mount Olive Township Clerk's Office

TO: Each Municipal Clerk and County Executive or Administrator of the Municipalities and Counties of New Jersey Served by Jersey Central Power & Light Company

RE: In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2016
BPU Docket No. ER15040482

Dear Sir/Madam:

We herewith serve upon you a copy of the Notice of Filing and Public Hearing for Basic Generation Service Charges (BGS) procured by Jersey Central Power & Light Company ("JCP&L") on behalf of its Default Electric Service Customers and Notice of Proposed Recovery through its BGS Charge of Costs Resulting from Statewide Auction for Basic Generation Service.

PLEASE TAKE NOTICE that the New Jersey Board of Public Utilities has scheduled a public hearing on the Petition at the time and place set forth in the enclosed Public Notice.

Copies of the Petition, tariff and rate schedule are available for inspection at the offices of the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey.

We will be pleased to furnish you with any assistance or additional information that you may reasonably require.

Sincerely,

Mark A. Mader

Mark A. Mader
Director
Rates & Regulatory Affairs-NJ

Enclosure
u:/rates/public hearings/Sept 2014

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, 2016 BPU Docket No. ER15040482

TAKE NOTICE that, on July 1, 2015, Jersey Central Power & Light Company ("JCP&L") filed a proposal (Annual Proposal for Basic Generation Service ("BGS") Requirements to be Procured Effective June 1, 2016) 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, 2016. BGS is provided to all JCP&L customers who do not procure their electric supply requirements from a third party supplier. Also addressed in the Company's filing are the PJM sponsored changes to the PJM Reliability Pricing Model ("RPM", "Capacity"). The BPU has authorized the Company to recover this potential increase in Capacity costs through the BGS rates.

The New Jersey Electric Distribution Companies ("EDCs"), including JCP&L, are mandated to 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 of 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. The Board has approved this type of auction for each year since 2001, and has found that this auction process meets the statutory requirements of the Act.

On September 28, 2015, a hearing will be held at the Board's Trenton office on the BGS proposals. The Board is expected to rule on the EDCs' BGS proposal shortly thereafter. The Board's agenda schedules can be found at www.bpu.state.nj.us.

The final price for Basic Generation Service – Residential Small Commercial Pricing (BGS-RSCP) supply resulting from the BGS-RSCP auction conducted in 2015 was 9.066 cents per kilowatt-hour for a 36-month supply period. This final price is blended with the prices procured for the previous two auctions to develop the BGS-RSCP rate to be paid by BGS-FP customers beginning June 1, 2016. For the Basic Generation Service – Commercial and Industrial Energy Pricing (BGS-CIEP) auction conducted in 2015, the Generation Capacity Charge cleared at $272.14 per MW-day.

The final prices for the BGS supply procured in the 2016 BGS-FP and BGS-CIEP auctions may be higher than or lower than the auction clearing prices obtained in the 2015 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-FP and BGS-CIEP rates may rise to reflect any increases in these FERC 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 22, 2015
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 written comments with the Secretary of the Board of Public Utilities by October 9, 2015 at 44 South Clinton Avenue, 9th Floor, PO Box 350, Trenton, New Jersey 08625-0350, ATTN: Irene Kim Asbury, regardless of whether or not they attend the public hearing.

JERSEY CENTRAL POWER & LIGHT COMPANY