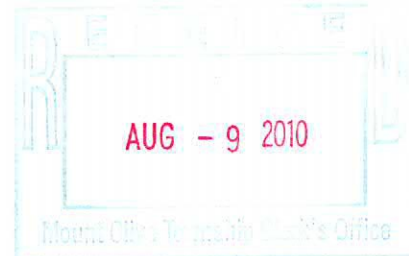


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cc: Admin

August 5, 2010



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: Annual Universal Service Fund Compliance Filing  
Jersey Central Power & Light Company  
BPU Docket Nos. ER10060436 and EX00020091

Dear Sir/Madam:

We herewith serve upon you a copy of the Notice of Filing and Public Hearing (Notice) for Jersey Central Power & Light Company's annual Universal Service Fund (USF) compliance filing to establish the appropriate recovery level for the 2010/2011 USF Program year.

PLEASE TAKE NOTICE that public hearings have been scheduled on the above compliance filing at the dates, times and locations set forth in the enclosed Public Notice.

Copies of the compliance filing and tariff rate schedules are available for inspection at the offices of the Board of Public Utilities at Two Gateway Center, in Newark, New Jersey and at the Company's offices in Morristown, as noted in the enclosed Public Notice.

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

Sincerely,

Sally J. Cheong  
Tariff Activity Lead  
Rates & Regulatory Affairs - NJ

Enclosure

# NOTICE TO THE CUSTOMERS OF JERSEY CENTRAL POWER & LIGHT COMPANY

Notice of a Filing and Notice of Public Hearings

In the Matter of the 2010/2011 Annual Compliance Filing for an increase in the Statewide Electric and Gas Permanent Universal Service Fund (USF) Program Factors within the Electric and Gas Societal Benefits Charges (SBC) Rates Pursuant to N.J.S.A. 49:2-21 and N.J.S.A. 49:21-1

Docket Nos. ER10039426 and ER00020091

TAKE NOTICE that, on July 1, 2010, Jersey Central Power & Light Company ("JCP&L") made a compliance filing providing supporting documentation for changes in the Universal Service Fund ("USF") and Lifeline components of the electric Societal Benefits Charges ("SBC"). This requested change in electric USF/Lifeline components is made pursuant to Orders of the New Jersey Board of Public Utilities ("Board" or "BPU") and includes the recovery of funding for the USF Program through uniform statewide rates.

The USF Program was established by the Board in 2003, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 49:3-49, et seq, ("EDECA"), to provide funds to assist qualifying low-income individuals in paying their energy bills. The State of New Jersey's Department of Community Affairs ("DCA") is the Administrator of the USF Program and the New Jersey Department of Health and Senior Services ("DHS") is the Administrator of the Lifeline programs. DCA and DHS authorize the disbursement of benefits to eligible customers in the respective programs.

Based upon the results and available estimates known to date for the 2009/2010 USF program year and the available estimates known to date for the 2010/2011 USF Program year, it is anticipated that the statewide USF rates ("USF Rates") should increase to collect \$202.8 million of USF program costs on a statewide basis, and that the statewide Lifeline rates ("Lifeline Rates") should decrease to collect \$72.7 million of Lifeline program costs on a statewide basis. \$139.0 million of the total estimated statewide USF program costs of \$202.8 million would be recovered through electric rates and the remaining portion of \$63.8 million would be recovered through gas rates. Also, it is anticipated that \$48.7 million of the statewide Lifeline program costs of \$72.7 million would be recovered through electric rates and the remaining portion of \$24.0 million would be recovered through gas rates.

The Board in its June 22, 2005 Universal Service Fund Order directed that the filing requirements for rate setting, including notice of filing, notice of public hearings, and tariffs, should be made by July 1, 2006, and each year thereafter. In accordance with that Order, JCP&L made a filing with the Board on July 1, 2010, requesting to change its current USF/Lifeline Program charges, as described below, to become effective on October 1, 2010.

The proposed statewide charges for electric customers are as follows:

### Universal Service/Lifeline Fund Components of Societal Benefits Charge

	Present	Present (incl. Sales and Use Tax)	Proposed	Proposed (incl. Sales and Use Tax)
USF-Electric per kWh	\$0.001753	\$0.001876	\$0.001775	\$0.001899
Lifeline-Electric per kWh	\$0.000666	\$0.000713	\$0.000621	\$0.000664

The above requests will not result in any profit to JCP&L. The revenues received under the proposed USF and Lifeline program factors are designed to permit JCP&L to recover its costs associated with these programs only. Actual program costs will be reconciled with the revenues received through the USF and Lifeline program charges in the next scheduled annual USF and Lifeline compliance filing to be made on or before July 1, 2011.

If approved by the Board, the effect of the proposed changes in the electric USF/Lifeline Program charges on a typical residential electric bill is illustrated at the top of the next column:

Impact of the proposed USF and Lifeline charges on typical residential electric bills:

Monthly Usage	Annual kWh Usage	Present Annual Bill (1)	Proposed Annual Bill (2)	Proposed Annual Increase	Proposed % Increase
300	3,600	\$656.36	\$656.27	\$(0.09)	-0.01%
600	7,200	\$1,286.48	\$1,286.29	\$(0.19)	-0.01%
900	10,800	\$1,935.24	\$1,924.96	\$(0.28)	-0.01%
1,200	14,400	\$2,684.20	\$2,603.83	\$(0.37)	-0.01%

- (1) Based on Residential Full Service (RS) rates in effect June 1, 2010
- (2) Based on Residential Full Service (RS) rates in effect June 1, 2010 with proposed changes.

As set forth in the above chart, based on JCP&L's July 1, 2010 filing, a typical residential electric customer using 600 kilowatt hours per month, and 7,200 kilowatt hours on an annual basis, would see a decrease in the annual bill from \$1,286.48 to \$1,286.29, or \$0.19 or approximately -0.01%

In addition, in an Order issued June 21, 2010 the Board approved individual stipulations with each of the State's utilities, including JCP&L, regarding recovery of each utility's accumulated USF-related administrative costs as of July 31, 2009 ("Past Administrative Costs") and has directed that each utility include its approved Past Administrative Costs and its administrative costs since July 31, 2009 (together, the "Total Administrative Costs") for inclusion in the USF Rates and Lifeline Rates requested in the July 1, 2010 compliance filings. The utilities, including JCP&L, have included details regarding the Total Administrative Costs to be included in the USF Rates and Lifeline Rates and have requested the full recovery of these accumulated administrative costs in rates effective October 1, 2010.

Actual results regarding USF expenditures and recoveries could be significantly affected by program changes, participation rates, and/or sales volumes.

The Board has the statutory authority to establish the USF Rates and Lifeline Rates at levels it finds just and reasonable. Therefore, the Board may establish the USF Rates and Lifeline Rates at levels other than those proposed by the Company's July 1, 2010 filing. As a result, the above described charges may increase or decrease based upon the Board's decision.

Copies of JCP&L's July 1, 2010 filing are available for review at JCP&L's offices at 300 Madison Avenue, Morristown, New Jersey and at the Board of Public Utilities at Two Gateway Center, Newark, New Jersey 07102.

The following dates, times and locations for public hearings have been scheduled on the above filing so that members of the public may present their views.

September 13, 2010 3:30 P.M. and 5:30 P.M. Morris County Administration & Records Building Public Meeting Room, 5th Floor 2122 Court Street Morristown, New Jersey 07963	September 15, 2010 3:30 P.M. and 5:30 P.M. Freshfield Township Municipal Building Room 114 One Municipal Plaza Freshfield, New Jersey 07720
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In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreters, listening devices or mobility assistance, 48 hours prior to the above hearings. Customers may file written comments with the Secretary of the Board of Public Utilities at Two Gateway Center, Newark, New Jersey 07102 ATTN: Kristi Izzo whether or not they attend the public hearings or they may send comments by e-mail to the BPU at usf.rates@bpu.state.nj.us.