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September 17, 2021

VIA eTARIFF FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: *PJM Interconnection, L.L.C.*
Jersey Central Power & Light Company
eTariff Amendment to Uncontested Settlement Compliance Filing
Docket No. ER20-227-004**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Part 35 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations,² Jersey Central Power & Light Company ("JCP&L") hereby submits a non-substantive refiling of the clean tariff records for Attachments H-4 and H-4B (the "Tariff Records") to the PJM Interconnection, L.L.C. Open Access Transmission Tariff ("PJM Tariff")³ to correct certain XML coding errors in the original submission made on May 14, 2021 in Docket No. ER20-227-003 as part of a compliance filing ("Compliance Filing")⁴ implementing a Commission-approved uncontested settlement ("Uncontested Settlement").⁵ Due to an XML coding error, these records are displayed in redline, rather than clean, format in FERC's eTariff Browser. This filing will correct that coding

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

³ See *Elec. Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008), *order on reh'g*, Order No. 714-A, 147 FERC ¶ 61,115 (2014). Pursuant to Order No. 714, this filing is being submitted by PJM on behalf of JCP&L as part of an XML filing package that conforms with the Commission's regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, JCP&L has requested that PJM submit this filing in the eTariff system as part of PJM's electronic Intra PJM Tariff.

⁴ Settlement Compliance Filing, PJM Interconnection, L.L.C. and Jersey Cent. Power & Light Co., Docket No. ER20-227-003, filed May 14, 2021 (uncontested settlement compliance filing).

⁵ *PJM Interconnection, L.L.C. and Jersey Cent. Power & Light Co.*, Docket No. ER20-227-001, at P 4 (Apr. 15, 2021) (delegated letter order) ("April 15 Order").

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error so the clean version of the tariff records, which were previously approved by the Commission in *pro forma* format, and which are currently part of the record in this proceeding, are appropriately displayed in FERC's eTariff Browser. Given the purely technical and non-substantive nature of this eTariff corrective filing, JCP&L is requesting that the Commission establish an expedited seven-day notice period for this amendment. JCP&L further requests that the refiled tariff records become effective as of January 1, 2020, consistent with the Commission's prior order in this docket approving the parties' uncontested settlement.⁶

I. BACKGROUND

In compliance with the April 15 Order, on May 14, 2021, JCP&L submitted the Compliance Filing, which included both clean and redline tariff records for Attachments H-4, H-4A, H-4B, and H-4C to the PJM Tariff. Due to an XML coding error, two of those tariff records (Attachments H-4 and H-4B) are displayed in redline, rather than clean, format in FERC's eTariff Browser. This filing will correct that coding error so the clean version of the Tariff Records, which were previously approved by the Commission in *pro forma* format, and which are currently part of the record in this proceeding, are appropriately displayed in FERC's eTariff Browser. Because both the clean and redline versions of the Tariff Records are on file with the Commission in this proceeding, Commission eTariff Advisory Staff advised that JCP&L may correct the coding error by refiled the clean versions of the Tariff Records. There are no changes being made or proposed to the redline or clean *pro forma* Tariff Records previously filed with the Commission in this proceeding. This filing will simply ensure the clean version of the Tariff Records is displayed in FERC's eTariff Browser, rather than the redline version.

II. DOCUMENTS INCLUDED WITH THIS FILING

In addition to this transmittal letter, JCP&L includes with this filing:

- Clean version of PJM Tariff Attachment H-4 (Appendix 1)
- Clean version of PJM Tariff Attachment H-4B (Appendix 2)

III. REQUEST FOR WAIVER AND REQUESTED EFFECTIVE DATE

JCP&L respectfully requests that the Commission establish a shortened seven-day comment period for this amendment. This filing is purely technical in nature and refiled the

⁶ See *PJM Interconnection, L.L.C.*, 169 FERC ¶ 61,205 (2019) (accepting and suspending proposed tariff revisions, and establishing hearing and settlement judge procedures) and April 15 Order.

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XML package does not involve any substantive changes to the Tariff Records. There were no comments filed in response to the original Compliance Filing, and none are anticipated in connection with this technical refile. JCP&L has authorization to represent to the Commission that the parties to the Docket No. ER20-227 Uncontested Settlement either support or do not oppose JCP&L's request for this shortened notice period.

As requested in its Compliance Filing, and as set forth in the Commission's order approving the Uncontested Settlement, JCP&L requests an effective date of January 1, 2020 for the Tariff Records.⁷ To the extent necessary, JCP&L respectfully requests waiver of any applicable requirement of Part 35 of the Commission's regulations that is required to grant the requested effective date or is otherwise found not to be completely satisfied by this filing.

IV. SERVICE

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,⁸ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region⁹ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

V. CONCLUSION

JCP&L respectfully requests that the Commission establish an expedited seven-day notice period for this amendment and accept the clean Tariff Records for filing, effective January

⁷ Settlement Section 2.2. *See also Jersey Cent. Power & Light Co.*, 169 FERC ¶ 61,205 (2020) (accepting JCP&L's proposed tariff records for filing and suspending them for a nominal period to become effective January 1, 2020, subject to refund).

⁸ *See* 18C.F.R. §§ 35.2(e) and 385.2010(f)(3).

⁹ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

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1, 2020, pursuant to the April 15 Order. Should you have any questions regarding this eTariff amendment filing, please contact the undersigned.

Respectfully submitted,

/s/ James C. Beh

James C. Beh

Serena A. Rwejuna

Jacqueline T. Ostrogorsky

*Counsel for Jersey Central Power & Light
Company*

Appendix 1

PJM Tariff Attachment H-4 (Clean)

ATTACHMENT H-4

Annual Transmission Rates -- Jersey Central Power & Light Company

1. The transmission revenue requirements and the rates for Network Integration Transmission Service are equal to the results of the formula shown in Attachment H- 4A, and will be posted on the PJM website pursuant to Attachment H-4B (Formula Rate Protocols). The transmission revenue requirement and the rates reflect the cost of providing transmission service over the 34.5 kV delta and higher transmission facilities of Jersey Central Power & Light Company (“JCP&L”). Service utilizing facilities at voltages below 34.5 kV delta will be provided at rates determined on a case-by-case basis and stated in Attachment H-4C as well as in service agreements with affected customers.
2. The formula rate set forth in Attachment H-4A shall be calculated on the basis of projections, subject to true-up to actual data in accordance with the adjustment mechanism described in Attachment H-4B (Formula Rate Protocols).
3. The rates and revenue requirements in this attachment shall be effective until amended by JCP&L or modified by the Commission.
4. In addition to the rates set forth in paragraph 1 above, a Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse JCP&L for applicable sales, excise, “Btu,” carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.

Appendix 2

PJM Tariff Attachment H-4B (Clean)

ATTACHMENT H-4B
Jersey Central Power & Light Company
Formula Rate Implementation Protocols
ANNUAL TRUE-UP, INFORMATION EXCHANGE,
AND CHALLENGE PROCEDURES

Definitions

“Actual Transmission Revenue Requirement” or “ATRR” means the actual net transmission revenue requirement calculated and posted on the PJM website no later than June 10 of each year subsequent to calendar year 2020 for the immediately preceding calendar year in accordance with JCP&L’s Formula Rate and based upon JCP&L’s actual costs and expenditures.

“Annual Update” means JCP&L’s ATRR for the preceding calendar year, as well as the True-up for the prior Rate Year, as posted on or before June 10 of each year.

“Formal Challenge” means a written challenge to an Annual Update or Projected Transmission Revenue Requirement submitted to the Federal Energy Regulatory Commission (the “Commission” or “FERC”) as provided in Section IV below.

“Formula Rate” means the collection of formulas and worksheets, unpopulated with any data, included as Attachment H-4A of the PJM Tariff.

“Interested Parties” include, but are not limited to, customers under the PJM Tariff, state utility regulatory commissions, the Organization of PJM States, Inc., consumer advocacy agencies, and state attorneys general.

“PJM Tariff” means the Open Access Transmission Tariff of the PJM Interconnection, L.L.C.

“Preliminary Challenge” means a written challenge to the Annual Update or Projected Transmission Revenue Requirement submitted to JCP&L as provided in Section IV below.

“Projected Transmission Revenue Requirement” or “PTRR” means the projected net transmission revenue requirement calculated for the forthcoming Rate Year, as well as, where applicable, the most recently calculated True-up, with interest, to be posted on the PJM website no later than October 31 of each year for rates effective the next calendar year starting January 1.

“Protocols” means these Protocols, included as Attachment H-4B of the PJM Tariff).

“Publication Date” means the date on which the Annual Update is posted.

“Rate Year” means the twelve consecutive month period that begins on January 1 and continues through December 31.

“True-up” means the difference between the revenues collected by PJM based on the PTRR (net of the True-up from the prior year) and the ATRR for the same Rate Year, which shall be provided in the Annual Update on or before June 10 of the year subsequent to the Rate Year. The True-up will be a component of the PTRR.

Section I. Applicability

The following procedures shall apply to the Jersey Central Power & Light Company (“JCP&L”) calculation of its Actual Transmission Revenue Requirement, True-up, and Projected Transmission Revenue Requirement.

Section II. Annual Update and Projected Transmission Revenue Requirement

- A. On or before June 10 of each year subsequent to calendar year 2020, JCP&L shall determine its Annual Update for the immediately preceding calendar year under Attachment H-4A and Section VII of these Protocols, including calculation of the True-up to be included in JCP&L’s PTRR for the subsequent Rate Year.
- B. On or before June 10 of each year subsequent to calendar year 2020, JCP&L shall provide its Annual Update for the immediately preceding calendar year to PJM and cause such information to be posted on the PJM website. Within two (2) days of such posting, JCP&L shall provide notice of such posting via an e-mail exploder list.
- C. On or before September 1 JCP&L shall upon request provide any Interested Party with:
 - (1) information showing (a) each transmission project forecasted to be placed into service in the following Rate Year that is expected to have a direct cost of \$1,000,000 (one million dollars) or greater, and a breakdown of the projected direct costs of each such project in as much detail as is reasonably available; and (b) purchases of categories of capital equipment (e.g., switches, transformers, relays, etc.) \$1,000,000 (one million dollars) or greater in the aggregate that are forecasted to enter service during the following Rate Year, either through the use of such capital equipment in projects forecasted to be placed in service during the following Rate Year or as spare plant that JCP&L determines to be needed for the safe and reliable operation of the transmission system in accordance with Good Utility Practice during the following Rate Year; and (2) a statement setting forth the basis for JCP&L’s determination that each such transmission project or capital equipment purchase, as applicable, is needed for service during the following Rate Year (which statement may be based on a determination that the placement of the project or equipment purchases into service during the following Rate Year, as described below, is needed as part of a larger multi-year transmission project or equipment purchase project, as applicable). JCP&L’s provision of such information shall be subject to the protection of any confidential information, as needed, under non-disclosure agreements that are based on FERC’s Model Protective Order.

- D. JCP&L shall provide: (1) to PJM, JCP&L's PTRR for rates to be effective the following Rate Year, by October 31, and (2) upon request to any Interested Party by October 31, (a) a list of the transmission projects and capital equipment purchases included in the PTRR capital projections, which shall be projects and capital equipment forecasted to enter service through projects in service or as spare plant during the Rate Year that is the subject to the PTRR; (b) a copy of the approved budget and/or construction plan pursuant to which such projects and equipment purchases have been undertaken; (c) a statement setting forth the basis for JCP&L's determination that each such transmission project or capital equipment purchase, as applicable, is needed for service during the following Rate Year (which statement may be based on a determination that the placement of the project or equipment purchase into service during the following Rate Year is needed as part of a larger multi-year transmission project or equipment purchase project, as applicable). With respect to the information referenced in clause (1), on October 31, JCP&L shall provide via an email exploder list: (i) its PTRR for rates to be effective the following Rate Year; and (ii) notice of such posting. With respect to the information described in clause (2), JCP&L's provision of such information shall be subject to the protection of any confidential information, as needed, under non-disclosure agreements that are based on FERC's Model Protective Order.
- E. If the date for posting the Annual Update or PTRR falls on a weekend or a holiday recognized by FERC, then the posting shall be due on the next business day. The date on which posting of the Annual Update occurs shall be that year's Publication Date. Any delay in the Publication Date or in the posting of the PTRR will result in an equivalent extension of time for the submission of information requests discussed in Section III of these Protocols. If the deadline for any event under these Protocols falls on a weekend or a holiday recognized by the Commission, the deadline for such event shall be extended to the next business day.
- F. The ATRR shall:
1. Include a workable data-populated version of the Formula Rate template and underlying work papers in Excel format with all formulas and links intact;
 2. Be based on JCP&L's FERC Form No. 1 for the prior calendar year;
 3. Provide the Formula Rate calculations and all inputs thereto, as well as supporting documentation and work papers for data that are used in the ATRR that are not otherwise available in the FERC Form No. 1, subject to the protection of any confidential information, as needed, under non-disclosure agreements that are based on FERC's Model Protective Order;
 4. Provide sufficient information to enable Interested Parties to replicate the

calculation of the ATRR results from the FERC Form No. 1;

5. Identify any changes in the formula references (page and line numbers) to the FERC Form No. 1;
6. Identify and, to the extent not explained in a worksheet included in the ATRR, explain, all material adjustments made to the FERC Form No. 1 data in determining formula inputs, including relevant footnotes to the FERC Form No. 1 and any adjustments not shown in the FERC Form No. 1;
7. Provide underlying data for Formula Rate inputs that provide greater granularity than is required for the FERC Form No. 1;
8. With respect to any change in accounting that affects inputs to the Formula Rate or the resulting charges billed under the Formula Rate (“Accounting Change”):
 - a. Identify any Accounting Change, including:
 - i. the initial implementation of an accounting standard such as a new requirement under Generally Accepted Accounting Principles (“GAAP”) or changes to GAAP, or policy;
 - ii. the initial implementation of accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction;
 - iii. the initial implementation of accounting changes in the reporting of the FERC Form No. 1 accounts from the prior year to the current year to the extent such change(s) affect(s) the Formula Rate revenue requirement: changes in (1) FERC’s Uniform System of Accounts, (2) FERC Form No. 1 reporting requirements as applicable, (3) any FERC ratemaking orders applicable to the Formula Rate, and (4) the accounting policies of JCP&L;
 - iv. correction of errors and prior period adjustments that affect the ATRR and True-up calculation;
 - v. the implementation of new estimation methods or policies that change prior estimates; and
 - vi. changes to income tax elections;
 - b. Identify items included in the ATRR at an amount other than on a historic

cost basis (e.g., fair value adjustments);

- c. Identify any reorganization or merger transaction during the previous year and explain the effect of the accounting for such transaction(s) on inputs to the ATRR; and
- d. Provide, for each item identified pursuant to items II.E.8.a - II.E.8.c above, a narrative explanation of the individual impact of such change on the ATRR; and

It is the intent of the Formula Rate, including the supporting explanations and allocation described therein, that each input to the Formula Rate will be either taken directly from FERC Form No. 1 or reconcilable to FERC Form No. 1 by the application of clearly identified and supported information. If the referenced form is superseded, the successor form(s) shall be utilized and supplemented as necessary to provide equivalent information as that provided in the superseded form. If the referenced form(s) is (are) discontinued, equivalent information as that provided in the discontinued form(s) shall be utilized.

9. Include for the applicable Rate Year the following information related to affiliate cost allocation: (A) a detailed description of the methodologies used to allocate and directly assign costs between JCP&L and its affiliates by service category and function, including any changes to such cost allocation methodologies from the prior year, and the reasons and justification for those changes; and (B) the magnitude of such costs that have been allocated or directly assigned between JCP&L and each affiliate by service category or function.

G. The Projected Transmission Revenue Requirement shall:

1. Include a workable data-populated version of the Formula Rate template and underlying work papers in Excel format with all formulas and links intact;
2. Provide the Formula Rate calculations and all inputs thereto, as well as supporting documentation and work papers for data that are used in the PTRR;
3. Provide sufficient information to enable Interested Parties to replicate the calculation of the PTRR;
4. With respect to any Accounting Change:
 - a. Identify any Accounting Change, including:
 - i. the initial implementation of an accounting standard such as a new

requirement under Generally Accepted Accounting Principles (“GAAP”) or changes to GAAP, or policy;

- ii. the initial implementation of accounting practices for unusual or unconventional items where FERC has not provided specific accounting direction;
 - iii. the initial implementation of accounting changes in the reporting of the FERC Form No. 1 accounts from the prior year to the current year to the extent such change(s) affect(s) the Formula Rate revenue requirement: changes in (1) FERC’s Uniform System of Accounts, (2) FERC Form No. 1 reporting requirements as applicable, (3) any FERC ratemaking orders applicable to the Formula Rate, and (4) the accounting policies of JCP&L;
 - iv. correction of errors and prior period adjustments that affect the PTRR calculation;
 - v. the implementation of new estimation methods or policies that change prior estimates; and
 - vi. changes to income tax elections;
- b. Identify items included in the PTRR at an amount other than on a historic cost basis (e.g., fair value adjustments);
 - c. Identify any reorganization or merger transaction during the previous year and explain the effect of the accounting for such transaction(s) on inputs to the PTRR; and
 - d. Provide, for each item identified pursuant to items II.F.4.a - II.F.4.c of these Protocols, a narrative explanation of the individual impact of such change on the PTRR.

H. JCP&L shall hold an open meeting among Interested Parties (“Annual Update Meeting”), to be conducted via Internet webcast, no earlier than ten (10) business days following the Publication Date and no later than July 10. No fewer than seven (7) days prior to such Annual Update Meeting, JCP&L shall provide notice on PJM’s website of the time and date of the Annual Update Meeting, and shall provide notice of the posting via an e-mail exploder list. The Annual Update Meeting shall: (i) permit JCP&L to explain and clarify its ATRR and True-up; and (ii) provide Interested Parties an opportunity to seek information and clarifications from JCP&L about the ATRR and True-up.

- I. JCP&L shall hold an open meeting among Interested Parties (“Annual Projected Rate Meeting”), to be conducted via Internet webcast, no earlier than five (5) business days following the posting of the PTRR (as described in Section II.C of these Protocols) and no later than November 30. No fewer than five (5) days prior to such Annual Projected Rate Meeting, JCP&L shall provide notice on PJM’s website of the time and date of the Annual Projected Rate Meeting, and shall provide notice of the posting via an e-mail exploder list. The Annual Projected Rate Meeting shall: (i) permit JCP&L to explain and clarify its PTRR and (ii) provide Interested Parties an opportunity to seek information and clarifications from JCP&L about the PTRR.

Section III. Information Exchange Procedures

Each Annual Update and PTRR shall be subject to the following information exchange procedures (“Information Exchange Procedures”):

- A. Interested Parties shall have until January 15 following the Publication Date (unless such period is extended with the written consent of JCP&L or by FERC order) to serve reasonable information and document requests on JCP&L (“Information Exchange Period”). If January 15 falls on a weekend or a holiday recognized by FERC, the deadline for submitting all information and document requests shall be extended to the next business day. Such information and document requests shall be limited to what is necessary to determine:
 1. the extent or effect of an Accounting Change;
 2. whether the ATRR or PTRR fails to include data properly recorded in accordance with these Protocols;
 3. the proper application of the Formula Rate and procedures in these Protocols;
 4. the accuracy of data and consistency with the Formula Rate of the calculations shown in the ATRR or PTRR;
 5. the prudence of actual costs and expenditures included in the ATRR or the reasonableness of projected costs and expenditures included in the PTRR, information concerning which may include JCP&L's utilized procurement methods and cost control methodologies, and the basis for and reasonableness of allocating all or any portion of such costs and expenditures to wholesale transmission service;
 6. whether transmission projects or equipment purchases underlying the costs and expenditures included in the ATRR or PTRR are needed for service during the Rate Year (including as part of a larger multi-year transmission project or

- equipment purchase program, as applicable);
7. the effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; or
 8. any other information that may reasonably have a substantive effect on the calculation of the charge pursuant to the Formula Rate.

The information and document requests shall not be directed to ascertaining whether the Formula Rate is just and reasonable.

- B. JCP&L shall make a good faith effort to respond to any information and document request within fifteen (15) business days of receipt of such request. JCP&L shall respond to all information and document requests by no later than February 25 following the Publication Date, unless the Information Exchange Period is extended by JCP&L or FERC.
- C. JCP&L will serve all information requests from Interested Parties and JCP&L's response(s) to such requests upon any Interested Party that requests such service, subject to the protection of any confidential information contained in such information requests or responses, as needed, under non-disclosure agreements that are based on FERC's Model Protective Order.
- D. JCP&L shall not claim that responses to information and document requests provided pursuant to these Protocols are subject to any settlement privilege in any proceeding addressing JCP&L's Annual Update or PTRR, and such responses may be included in any Formal Challenge or other submittal addressing JCP&L's Annual Update or PTRR.
- E. To the extent JCP&L and any Interested Parties are unable to resolve disputes related to Information Requests submitted in accordance with these Protocols, such dispute will be discussed by senior representatives of JCP&L and the Interested Party(ies). If the representatives are unsuccessful in resolving the dispute, JCP&L or Interested Party(ies) may petition the FERC's On Call Settlement Judge to assist in resolving the dispute.

Section IV. Challenge Procedures

- A. Interested Parties shall have until March 31 following the Publication Date (unless such period is extended with the written consent of JCP&L or by FERC order) ("Review Period"), to review the inputs, supporting explanations, allocations and calculations and to notify JCP&L in writing, which may be made electronically, of any specific Preliminary Challenges to the Annual Update or PTRR. If the final day of the Review Period falls on a holiday recognized by FERC, the deadline for submitting all Preliminary Challenges shall be extended to the next business day. Failure to pursue an issue through

a Preliminary Challenge or to lodge a Formal Challenge regarding any issue as to a given Annual Update or PTRR shall bar pursuit of such issue with respect to that Annual Update or PTRR under the challenge procedures set forth in these Protocols, but shall not bar pursuit of such issue or the lodging of a Formal Challenge as to such issue as it relates to a subsequent Annual Update or PTRR. This Section IV.A in no way shall affect a party's rights under Federal Power Act ("FPA") section 206 as set forth in Section IV.I of these Protocols.

- B. Preliminary Challenges shall be subject to the resolution procedures and limitations in this Section IV and shall satisfy all of the following requirements.
1. A party submitting a Preliminary Challenge to JCP&L must specify the inputs, supporting explanations, allocations, calculations, or other information to which it objects, and provide an appropriate explanation and documents to support its challenge.
 2. JCP&L shall make a good faith effort to respond to any Preliminary Challenge within twenty (20) business days of written receipt of such challenge.
 3. JCP&L, and where applicable, PJM, shall appoint a senior representative to work with each party that submitted a Preliminary Challenge (or its representative) toward a resolution of the challenge.
 4. If JCP&L disagrees with such challenge, JCP&L will provide the Interested Party(ies) with an explanation supporting the inputs, supporting explanations, allocations, calculations, or other information.
 5. No Preliminary Challenge may be submitted after March 31, and JCP&L must respond to all Preliminary Challenges by no later than April 30 unless the Review Period is extended by JCP&L or FERC, or as provided in Section IV.A above.
 6. JCP&L will serve all Preliminary Challenges and JCP&L's response(s) to such Preliminary Challenges upon any Interested Party that requests such service, subject to the protection of any confidential information contained in such Preliminary Challenges or responses, as needed, under non-disclosure agreements that are based on the FERC's Model Protective Order.
- C. Formal Challenges shall be subject to the resolution procedures and limitations in this Section IV. Formal Challenges shall be filed pursuant to these Protocols and shall satisfy all of the following requirements.
1. A Formal Challenge shall:

- a. Clearly identify the action or inaction which is alleged to violate the filed Formula Rate or these Protocols;
- b. Explain how the action or inaction violates the filed Formula Rate or these Protocols;
- c. Set forth the business, commercial, economic or other issues presented by the action or inaction as such relate to or affect the party filing the Formal Challenge, including:
 - (i) the extent or effect of an Accounting Change;
 - (ii) whether the ATRR or PTRR fails to include data properly recorded in accordance with these Protocols;
 - (iii) the proper application of the Formula Rate and procedures in these Protocols;
 - (iv) the accuracy of data and consistency with the Formula Rate of the charges shown in the ATRR or PTRR;
 - (v) the prudence of actual costs and expenditures;
 - (vi) the reasonableness of any projection that forms a basis of the PTRR;
 - (vii) whether transmission projects or equipment purchases underlying the costs and expenditures included in the ATRR or PTRR are needed for service during the Rate Year (including as part of a larger multi-year transmission project or equipment purchase program, as applicable);
 - (viii) the effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; or
 - (ix) any other information that may reasonably have a substantive effect on the calculation of the charge pursuant to the Formula Rate.
- d. Make a good faith effort to quantify the financial impact or burden (if any) created for the party filing the Formal Challenge as a result of the challenged action or inaction;
- e. State whether the issues presented are pending in an existing Commission

proceeding or a proceeding in any other forum in which the filing party is a party, and if so, provide an explanation why timely resolution cannot be achieved in that forum;

- f. State the specific relief or remedy requested, including any request for stay or extension of time, and the basis for that relief;
 - g. Include all documents that support the facts in the Formal Challenge in possession of, or otherwise attainable by, the filing party, including, but not limited to, contracts and affidavits; and
 - h. State whether the filing party utilized the Preliminary Challenge procedures described in these Protocols to dispute the challenged action or inaction raised by the Formal Challenge, and, if not, describe why not.
2. Service. Any person filing a Formal Challenge must serve a copy of such Formal Challenge on JCP&L. Service to JCP&L must be simultaneous with filing at FERC. Simultaneous service can be accomplished by electronic mail in accordance with 18 C.F.R. § 385.2010(f)(3), facsimile, express delivery, or messenger. A party filing a Formal Challenge shall serve the individual listed as the contact person on JCP&L's Informational Filing required under Section VI of these Protocols.

D. Preliminary and Formal Challenges shall be limited to all issues that may be necessary to determine:

- 1. the extent or effect of an Accounting Change;
- 2. whether the ATRR or PTRR fails to include data properly recorded in accordance with these Protocols, or includes data not properly recorded in accordance with these Protocols;
- 3. the proper application of the Formula Rate and procedures in these Protocols;
- 4. the accuracy of data and consistency with the Formula Rate of the calculations shown in the ATRR and PTRR;
- 5. the prudence of actual costs and expenditures included as inputs to the Formula Rate;
- 6. the reasonableness of any projection that forms a basis of the PTRR;
- 7. whether transmission projects or equipment purchases underlying the costs and

expenditures included in the ATRR or PTRR are needed for service during the Rate Year (including as part of a larger multi-year transmission project or equipment purchase program, as applicable);

8. the effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; or
 9. any other information that may reasonably have a substantive effect on the calculation of the charge pursuant to the Formula Rate.
- E. Any changes or adjustments to the ATRR and PTRR resulting from the information exchange and Preliminary Challenge processes that are agreed to by JCP&L will be reported in the Informational Filing required pursuant to Section VI of these Protocols. Any such changes or adjustments agreed to by JCP&L on or before December 1 will be reflected in the PTRR for the upcoming Rate Year. Any changes or adjustments agreed to by JCP&L after December 1 will be reflected in the following year's Annual Update, as discussed in Section V of these Protocols.
- F. An Interested Party shall have until June 1 following the Review Period (unless such date is extended with the written consent of JCP&L to continue efforts to resolve the Preliminary Challenge) to make a Formal Challenge with FERC, which shall be served on JCP&L on the date of such filing as specified in Section IV.C.2 above. A Formal Challenge shall be filed in the same docket as JCP&L's Informational Filing discussed in Section VI of these Protocols. JCP&L shall respond to the Formal Challenge by the deadline established by FERC. An Interested Party may not pursue a Formal Challenge unless it submitted a Preliminary Challenge on some issue (which may be different from the Formal Challenge issue) during the applicable Review Period.
- G. In any proceeding initiated by FERC concerning the Annual Update or PTRR or in response to a Formal Challenge, JCP&L shall bear the burden, consistent with FPA section 205, of proving that it has correctly applied the terms of the Formula Rate consistent with these Protocols, that it followed the applicable requirements and procedures in the Formula Rate. Nothing herein is intended to alter the burdens applied by FERC with respect to prudence challenges.
- H. Except as specifically provided herein, nothing herein shall be deemed to limit in any way the right of JCP&L to file unilaterally, pursuant to FPA section 205 and the regulations thereunder, to change these Protocols, the Formula Rate, or any of its inputs (including, but not limited to, rate of return and transmission incentive rate treatment), or to replace the Formula Rate with a stated rate, or the right of any other party to request such changes pursuant to FPA section 206.

- I. No party shall seek to modify these Protocols or the Formula Rate under the challenge procedures set forth in these Protocols, and the Annual Update and PTRR shall not be subject to challenge by anyone for the purpose of modifying the Formula Rate. Any modifications to these Protocols or the Formula Rate will require, as applicable, a FPA section 205 or section 206 proceeding.
- J. Any Interested Party seeking changes to the application of the Formula Rate due to a change in the Uniform System of Accounts or FERC Form No. 1 must have raised a Preliminary Challenge with JCP&L before pursuing a Formal Challenge.

Section V. Changes to Actual Transmission Revenue Requirement or Projected Transmission Revenue Requirement

- A. Except as provided in Section IV.E of these Protocols, any changes to the data inputs, including but not limited to revisions to JCP&L's FERC Form No. 1, or as the result of any FERC proceeding to consider the ATRR or PTRR, or as a result of the procedures set forth herein, shall be incorporated into the Formula Rate and the charges produced by the Formula Rate in the PTRR for the next Rate Year. This reconciliation mechanism shall apply in lieu of mid-Rate Year adjustments. Interest on any refund or surcharge shall be calculated in accordance with the procedures outlined in Section VII of these Protocols.
- B. In the event that JCP&L identifies an error in the Annual Update (or its FERC Form No. 1 or successor form which is used as an input to the Formula Rate), or if JCP&L is required by applicable law or a court or a regulatory body to correct such error, JCP&L shall correct the error in good faith and without regard to whether the correction increases or decreases JCP&L's revenue requirements. JCP&L shall implement the correction in the next Annual Update following the identification of the error or the order of a court or regulatory body. Nothing in these protocols should or may be construed as preventing Interested Parties from protesting such correction.

Section VI. Informational Filings

- A. By June 10 of each year, JCP&L shall submit to FERC an informational filing ("Informational Filing") of its PTRR for the Rate Year, including its ATRR and True-up. This Informational Filing must include information that is reasonably necessary to determine:
 - 1. that input data to the Formula Rate are properly recorded in any underlying work papers;
 - 2. that JCP&L has properly applied the Formula Rate and these Protocols;
 - 3. the accuracy of data and the consistency with the Formula Rate of the

- transmission revenue requirement and rates under review;
4. the extent of Accounting Changes that affect Formula Rate inputs; and
 5. the reasonableness of projected costs and the prudence of actual costs.

The Informational Filing must also describe any corrections or adjustments made during the period since the Publication Date, and must describe all aspects of the Formula Rate or its inputs that are the subject of an ongoing dispute under the Preliminary Challenge or Formal Challenge procedures. Finally, the Informational Filing shall include for the applicable Rate Year the following information related to affiliate cost allocation: a detailed description of the methodologies used to allocate and directly assign costs between JCP&L and its affiliates by service category or function, including any changes to such cost allocation methodologies from the prior year, and the reasons and justification for those changes; the magnitude of such costs that have been allocated or directly assigned between JCP&L and each affiliate by service category or function; and a copy of any service agreement between JCP&L and any JCP&L affiliate that went into effect during the Rate Year. Within five (5) days of such Informational Filing, JCP&L shall provide notice of the Informational Filing via an e-mail exploder list and by posting the docket number assigned to JCP&L's Informational Filing on the PJM website, subject to the protection of any confidential information contained in the Informational Filing, as needed, under non-disclosure agreements that are based on FERC's Model Protective Order.

- B. Any challenges to the implementation of the Formula Rate must be made through the challenge procedures described in Section IV of these Protocols or in a separate complaint proceeding, and not in response to the Informational Filing.

Section VII. Calculation of True-up

The True-up will be determined in the following manner:

- A. As part of the Annual Update for each Rate Year, JCP&L shall determine the difference between the revenues collected by PJM based on the PTRR for the Rate Year (net of the True-up from the prior year) and the ATRR for the same Rate Year based on actual cost data as reflected in its FERC Form No. 1. The True-up will be determined as follows:
 - i. The ATRR for the previous Rate Year as determined using JCP&L's completed FERC Form No. 1 report shall be compared to the revenues collected by PJM based on the PTRR (net of the True-up from the prior year) for that same Rate Year ("True-up Year") to determine any excess or shortfall in the revenues

collected by PJM in the True-up Year. The revenue excess or shortfall determined by this comparison shall constitute the “True-up.”

- ii. Interest on any True-up shall be based on the interest rate equal to the interest rate determined by 18 CFR § 35.19a. Interest rates will be used to calculate the time value of money for the period that the True-up exists. The interest rate to be applied to the True-up will be determined as follows: (i) for time periods for which there is an interest rate posted on FERC’s website, the True-up will reflect each applicable quarter’s annual rate; (ii) for time periods for which there is no interest rate posted on FERC’s website (*i.e.*, future time periods, in which an interest rate is not yet available), the True-up will reflect the last known quarter’s annual rate, as posted on FERC’s website and as determined prior to the posting of the JCP&L PTRR that includes the applicable True-up.
- B. JCP&L will post on PJM’s website all information relating to the True-up as part of the Annual Update. As provided in Section II.B of these Protocols, JCP&L shall provide its Annual Update for the immediately preceding calendar year to PJM and cause such information to be posted on the PJM website on or before June 10 of each year subsequent to calendar year 2020.

Section VIII. Formula Rate Inputs

- A. Stated inputs to the Formula Rate: For (i) rate of return on common equity; (ii) “Post-Employment Benefits other than Pension” (“PBOP”) charges pursuant to Statement of Financial Accounting Standards No. 106, Employers’ Accounting for Postretirement Benefits Other Than Pensions; and (iii) depreciation and/or amortization rates, the values in the Formula Rate shall be stated values and may be changed only pursuant to a FPA section 205 or section 206 proceeding. These stated-value inputs are specified in Attachment 9 of the Formula Rate.
- B. Unpopulated Formula Rate line items: With respect to line items in the Formula Rate that are not currently populated with non-zero numerical values because FERC policy requires prior authorization for recovery of the underlying costs or because, due to the nature of the associated functional activities, such costs are not considered part of JCP&L’s transmission-related revenue requirement (but not line items that are zero values in a particular Rate Year for the sole reason that no such costs or revenues were incurred or revenues received or projected to be incurred or received during the Rate Year), such line items shall not be populated with non-zero values except as may be authorized following a FPA section 205 or section 206 proceeding.

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing document on all parties to this proceeding, as listed on the official service list compiled by the Commission Secretary.

Dated at Washington, DC, this 17 day of September, 2021.

/s/ Patricia T. Wingfield
Patricia T. Wingfield