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Jersey Central Power & Light Company
Madison Avenue at Punch Bowl Road
Morristown, New Jersey 07960
(201) 455-8200

Issuances SP

August 19, 1980

Mr. Richard H. Vollmer
Director, Three Mile Island-2 Support
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
7920 Norfolk Avenue
Bethesda, MD 20014

Dear Mr. Vollmer:

Re: NRC Docket No. 50-289 - TMI-1 Restart Proceeding

By your letter dated September 21, 1979, to R. C. Arnold, and Mr. J. C. Petersen's data requests sent to C. W. Smyth on November 9, 1979, you requested us to keep the NRC informed of significant regulatory developments affecting the GPU Companies. Accordingly, the enclosed material (8 copies) has been sent for that purpose.

Enclosed are copies of Mr. F. D. Hafer's memos and attachments of August 15, 1989, and August 18, 1980.

Very truly yours,

Lawrence E. Sweeney
Lawrence E. Sweeney
Rate Department

rc

Enclosure

cc: L. P. Gentieu (w/o enc)
M. Karlowicz (w/enc)
J. C. Petersen (w/enc)

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GPU Service Corporation
100 Interpace Parkway
Parsippany, New Jersey 07054
201 263-6500
TELEX 136-482
Writer's Direct Dial Number

August 15, 1980

The Honorable Stephen G. Marshall
Office of Administrative Law
State of New Jersey
185 Washington Street
Newark, New Jersey 07102

Dear Judge Marshall:

In connection with Jersey Central's request for an increase in its levelized energy cost adjustment charge filed with the NJ BPU on July 21, 1980 (NJ BPU Docket No. 807-488), enclosed is one copy of the following Jersey Central exhibits:

JC-A.1(a)
JC-A.2(a)*
JC-A.3(a)
JC-A.4(b)*
JC-A.5
JC-E
JC-F

*previously distributed at discovery meeting held at GPU on 8/11/80.

Copies of this material are also being sent to the service list, and we anticipate making one more mailing of responses to data requests prior to the first hearing on August 20th.

Sincerely,

F. D. Hafer

FDH/ret

cc: R. Parker (with attachment (2))
Service List (with attachment)

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BPU DOCKET NO. 804-285/807-488
OAL DOCKET NO. PUC 3518-80

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JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

As requested by the parties, this exhibit provides an actual versus forecast comparison of Jersey Central's energy costs experienced in July, 1980.

Also shown are revised comparisons for the months of April, May and June that correct minor rounding errors in Jersey Central's energy costs per Kwh calculated in Exhibit JC-A.1.

For the 4 month period from April through July, 1980 Jersey Central's energy costs were \$3.7 million, or about 2.6% less than forecast, as summarized on the following page.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Actual vs. Forecast Energy Costs⁽¹⁾
 April - July, 1980

									<u>4 Months April - July, 1980</u>			
	<u>April</u>		<u>May</u>		<u>June</u>		<u>July</u>		<u>Actual</u>	<u>Forecast</u>	<u>Incr. (Decrease), Actual Over Forecast</u>	
	<u>Actual</u>	<u>Forecast</u>	<u>Actual</u>	<u>Forecast</u>	<u>Actual</u>	<u>Forecast</u>	<u>Actual</u>	<u>Forecast</u>			<u>Amount</u>	<u>%</u>
Energy Costs (\$ Millions)	\$32.0	\$39.4	\$30.2	\$40.4	\$31.3	\$30.5	\$43.2	\$29.9 ⁽²⁾	\$136.5	\$140.2	\$(3.7)	(2.6)%
Sales (Gwh)	1015	1044	916	953	954	1007	1084	1042 ⁽²⁾	3969	4046	(77)	(1.9)%
Mills per Kwh of Sales	31.5	37.8	32.9	42.4	32.7	30.3	39.9	28.7 ⁽²⁾	34.4	34.7	(0.3)	(0.9)%

(1) Forecast per "3+9" budget revision.

(2) Reflects sales adjustment (\$2.0 reduction to energy costs and 49 Gwh reduction to sales as budgeted; see Exhibit JC-A, page 3).

Energy Cost Comparison: Actual vs. Forecast (1)
Apr. 1980

	Actual			Forecast ("349" Budget Revision)			Increase (Decrease), Actual over Forecast		
	\$ 000's	GWh	Mills/Kwh	\$ 000's	GWh	Mills/Kwh	\$ 000's	GWh	Mills/Kwh
Internal Generation									
Nuclear									
Oyster Creek	\$ 8	(3)	-	\$ 10	-	-	\$ (2)	(3)	-
THI-1	-	(2)	-	-	-	-	-	(2)	-
Total	8	(5)	-	10	-	-	(2)	(5)	-
Coal									
Keystone	1 512	151	10.0	1 769	150	11.8	(257)	1	(1.8)
Oil and Gas									
Gilbert	1 303	30	44.3	1 514	34	44.3	(211)	(4)	-
Gilbert Combined Cycle	124	1	119.3	2 044	44	46.2	(1 920)	(43)	73.1
Sayreville	3 313	80	41.5	4 768	107	44.6	(1 455)	(27)	(3.1)
Werner	114	1	88.9	1 110	19	59.0	(996)	(18)	29.9
Combustion Turbines	573	10	55.0	3 648	55	66.6	(3 075)	(45)	(11.6)
Total	5 427	122	44.5	13 084	259	50.5	(7 657)	(137)	(6.0)
Pumped Storage									
Yards Creek	-	(13)	-	-	(13)	-	-	-	-
Total Internal Generation	\$ 6 947	255	27.2	\$14 863	396	37.5	\$ (7 916)	(141)	(10.3)
Interchange and Other Energy Purchased									
Interchange Purchased									
From PJM	\$ 5 815	151	38.6	\$ 7 832	140	56.0	\$ (2 017)	11	(17.4)
From GPU	647	24	26.5	3 731	110	33.8	(3 084)	(86)	(7.3)
Total	6 462	175	36.9	11 563	250	45.2	(5 101)	(75)	(9.3)
Interchange (Sold)									
To PJM	(808)	(15)	54.4	(321)	(2)	-	(487)	(13)	-
To GPU	-	-	-	(336)	(7)	45.5	336	7	-
Total	(808)	(15)	54.4	(657)	(9)	72.5	(151)	(6)	(18.1)
Other Energy Purchased (2)									
APs	1 316	57	23.3	1 610	62	26.1	(294)	(5)	(2.8)
NEP and West	14 222	447	31.8	7 805	233	33.4	6 417	214	(1.6)
Jamestown	242	10	24.6	319	13	25.1	(77)	(3)	(0.5)
Ontario Hydro	2 255	64	35.2	1 894	57	33.4	361	7	1.8
PP&L (Martins Creek)	1 561	34	46.0	2 221	41	53.9	(660)	(7)	(7.9)
PE (Salem)	-	-	-	-	-	-	-	-	-
Central Hudson	-	-	-	-	-	-	-	-	-
Total	19 596	612	32.0	15 849	406	34.1	5 747	206	(2.1)
Total Energy Purchased (Net)	\$25 250	772	32.7	\$24 755	647	38.3	\$ 495	125	(5.6)
Revenues from Sales of Waste Heat	(189)	-	-	(189)	-	-	-	-	-
Total Energy Costs	<u>\$32 008</u>	<u>1 027</u>	<u>31.2</u>	<u>\$39 429</u>	<u>1 043</u>	<u>37.8</u>	<u>\$ (7 421)</u>	<u>(16)</u>	<u>(6.6)</u>
Total Sales	<u>\$32 008</u>	<u>1 015</u>	<u>31.5</u>	<u>\$39 429</u>	<u>1 044</u>	<u>37.8</u>	<u>\$ (7 421)</u>	<u>(29)</u>	<u>(6.3)</u>

(1) "Energy costs" are costs recoverable by retail energy clause (all fuel costs and all purchased power costs except demand charges and installed capacity payments); mills/kwh have been adjusted from JC-A and JC-A.1 values to correct minor differences due to rounding.
(2) Costs includes demand charges, as authorized by the NJ BPU's Order in Docket No. 795-427 dated June 18, 1979.

Energy Cost Comparison, Actual vs. Forecast (1)
1980

	Actual			Forecast ("3+9" Budget Revision)			Increase (Decrease), Actual over Forecast		
	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh
Internal Generation									
Nuclear									
Oyster Creek	\$ 9	(3)	-	\$ 10	-	-	\$ (1)	(3)	-
TMI-1	-	(2)	-	-	-	-	-	(2)	-
Total	9	(5)	-	10	-	-	(1)	(5)	-
Coal									
Keystone	1 480	146	10.1	1 842	155	11.9	(362)	(9)	(1.8)
Oil and Gas									
Gilbert	1 291	29	44.6	1 574	35	44.5	(283)	(6)	0.1
Gilbert Combined Cycle	854	14	59.4	2 197	46	48.1	(1 343)	(32)	11.3
Sayreville	3 611	105	34.4	4 253	98	43.6	(642)	7	(9.2)
Werner	328	5	61.7	295	5	58.8	33	-	2.9
Combustion Turbines	1 264	19	68.1	3 959	57	69.2	(2 695)	(38)	(1.1)
Total	7 348	172	42.7	12 278	241	50.9	(4 930)	(69)	(8.2)
Pumped Storage									
Yards Creek	-	(8)	-	-	(7)	-	-	(1)	-
Total Internal Generation	\$ 8 837	305	28.9	\$14 130	389	36.3	\$ (5 293)	(84)	(7.4)
Interchange and Other Energy Purchased									
Interchange Purchased									
From PJM	\$ 1 595	37	43.2	\$ 9 710	171	57.0	\$ (8 115)	(134)	(13.8)
From GPU	976	28	34.1	1 941	60	32.2	(965)	(32)	1.9
Total	2 571	65	39.2	11 651	231	50.5	(9 080)	(166)	(11.3)
Interchange (Sold)									
To PJM	(3 263)	(53)	61.2	(253)	-	-	(3 010)	(53)	-
To GPU	-	-	-	(443)	(10)	45.5	443	10	-
Total	(3 263)	(53)	61.2	(696)	(10)	71.0	(2 567)	(43)	(9.8)
Other Energy Purchased (2)									
APS	5 024	192	26.2	1 610	62	26.1	3 414	130	0.1
AEP and West	12 479	393	31.8	7 806	233	33.4	4 673	160	(1.6)
Jamestown	163	7	24.6	319	13	25.1	(156)	(6)	(0.5)
Ontario Hydro	2 564	69	36.9	1 894	57	33.4	670	12	3.5
PP&L (Martinus Creek)	1 315	32	41.7	2 221	41	53.9	(906)	(9)	(12.2)
PE (Salem)	-	-	-	-	-	-	-	-	-
Central Hudson	739	15	47.7	1 590	32	49.7	(851)	(17)	(2.0)
Total	22 284	708	31.5	15 440	438	35.2	6 844	270	(3.7)
Total Energy Purchased (Net)	\$21 592	720	30.0	\$26 395	659	40.1	\$ (4 803)	61	(10.1)
Revenues from Sales of Waste Heat	(272)	-	-	(152)	-	-	(120)	-	-
Total Energy Costs	\$30 157	1 025	29.4	\$40 373	1 048	38.5	\$ (10 216)	(23)	(9.1)
Total Sales	\$30 157	91	32.9	\$40 373	953	42.4	\$ (10 216)	(37)	(9.5)

- (1) "Energy costs" are costs recoverable by retail energy clause (all fuel costs and all purchased power costs except demand charges and installed capacity payments); mills/kwh have been adjusted from Exhibit JC-A and JC-A.1 values to correct minor differences due to rounding.
- (2) Costs include demand charges, as authorized by the NJ BPU's Order in Docket No. 795-427 dated June 18, 1979.

Energy Cost Comparison - Actual vs. Forecast (1)
 June 1980

	Actual			Forecast ("3+9" Budget Revision)			Increase (Decrease), Actual over Forecast		
	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh
Internal Generation									
Nuclear									
Oyster Creek	\$ 9	(3)	-	\$ 1 197	299	4.0	\$(1 188)	(302)	-
TMI-1	-	(2)	-	-	-	-	-	(2)	-
Total	9	(5)	-	1 197	299	4.0	(1 188)	(304)	-
Coal									
Keystone	1 646	167	9.9	1 800	150	12.0	(154)	17	(2.1)
Oil and Gas									
Gilbert	1 331	31	42.6	1 523	34	44.5	(192)	(3)	(1.9)
Gilbert Combined Cycle	400	7	61.8	2 203	44	49.8	(1 803)	(37)	12.0
Sayreville	2 327	80	29.3	2 691	58	46.5	(364)	22	(17.2)
Werner	144	2	70.2	1 113	19	59.1	(969)	(17)	11.1
Combustion Turbines	683	10	66.3	4 054	56	72.0	(3 371)	(46)	(5.7)
Total	4 885	130	37.7	11 584	211	54.9	(6 699)	(81)	(17.2)
Pumped Storage									
Yards Creek	-	(9)	-	-	(9)	-	-	-	-
Total Internal Generation	\$ 6 540	283	23.1	\$14 581	651	22.4	\$(8 041)	(368)	0.7
Interchange and Other Energy Purchased									
Interchange Purchased									
From PJM	\$ 2 364	62	37.8	\$ 1 363	24	58.0	\$ 1 001	38	(20.2)
From GPU	1 500	66	22.7	2 480	75	33.0	(980)	(9)	(10.3)
Total	3 864	128	30.1	3 843	99	39.0	21	29	(8.9)
Interchange (Sold)									
To PJM	(1 779)	(39)	45.6	(2 145)	(45)	48.1	366	6	(2.5)
To GPU	-	-	-	(1 062)	(23)	45.5	1 062	23	-
Total	(1 779)	(39)	45.6	(3 207)	(68)	47.2	1 428	29	(1.6)
Other Energy Purchased (2)									
APS	3 277	143	22.9	1 610	62	26.1	1 667	81	(3.2)
AEF and West	14 462	428	33.9	7 806	233	33.4	6 656	195	0.5
Jamestown	181	7	24.6	319	13	25.1	(138)	(6)	(0.5)
Ontario Hydro	2 182	59	37.0	1 894	57	33.4	288	2	3.6
PP&L (Martins Creek)	1 459	35	41.8	2 221	41	53.9	(762)	(6)	(12.1)
FE (Salem)	-	-	-	-	-	-	-	-	-
Central Hudson	1 109	25	43.9	1 590	32	49.7	(481)	(7)	(5.8)
Total	22 670	697	32.5	15 440	438	35.2	7 230	259	(2.7)
Total Energy Purchased (Net)	\$24 755	786	31.5	\$16 076	469	34.3	\$ 8 679	317	(2.8)
Revenues from Sales of Waste Heat	(143)	-	-	(175)	-	-	32	-	-
Total Energy Costs	<u>\$31 152</u>	<u>1 069</u>	<u>29.1</u>	<u>\$30 482</u>	<u>1 120</u>	<u>27.2</u>	<u>\$ 670</u>	<u>(51)</u>	<u>1.9</u>
Total Sales	<u>\$31 152</u>	<u>954</u>	<u>32.7</u>	<u>\$30 482</u>	<u>1 007</u>	<u>30.3</u>	<u>\$ 670</u>	<u>(53)</u>	<u>2.4</u>

- (1) "Energy costs" are costs recoverable by retail energy clause (all fuel costs and all purchased power costs except demand charges and installed capacity payments); mills/Kwh have been adjusted from Exhibit JC-A and JC-A.1 values to correct minor differences due to rounding.
- (2) Costs includes demand charges, as authorized by the NJ BPU's Order in Docket No. 795-427 dated June 18, 1979.

Energy Cost Comparison, Actual vs. Forecast (1)
1980

	Actual			Forecast (2) ("3+9" Budget Revision)			Increase (Decrease), Actual over Forecast		
	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh	\$ 000's	GWH	Mills/Kwh
Internal Generation									
Nuclear									
Oyster Creek	\$ 434	111	3.9	\$ 1 566	392	4.0	\$(1 132)	(281)	(0.1)
TMI-1	-	(2)	-	-	-	-	-	(2)	-
Total	434	109	4.0	1 566	392	4.0	(1 132)	(283)	-
Coal									
Keystone	1 828	173	10.5	1 873	155	12.1	(45)	18	(1.6)
Oil and Gas									
Gilbert	1 941	41	47.0	1 592	35	45.0	349	6	2.0
Gilbert Combined Cycle	1 928	36	53.9	2 356	46	51.6	(428)	(10)	2.3
Sayreville	4 844	122	39.7	2 829	60	47.2	2 015	62	(7.5)
Werner	1 014	18	57.1	1 165	19	59.9	(151)	(1)	(2.8)
Combustion Turbines	2 232	25	87.2	4 330	59	74.4	(2 098)	(34)	12.8
Total	11 959	242	49.4	12 272	219	56.2	(313)	23	(6.8)
Pumped Storage									
Yards Creek	-	(14)	-	-	(14)	-	-	-	-
Total Internal Generation	\$14 221	510	27.9	\$15 711	752	20.9	\$(1 490)	(242)	7.0
Interchange and Other Energy Purchased									
Interchange Purchased									
From PJM	\$12 265	234	52.5	\$ 639	11	59.0	\$11 626	223	(6.5)
From GPU	2 844	138	20.6	3 413	97	35.0	(569)	41	(14.4)
Total	15 109	372	40.6	4 052	108	37.4	11 057	264	3.2
Interchange (Sold)									
To PJM	(2 906)	(45)	65.4	(2 124)	(44)	48.2	(782)	(1)	17.2
To GPU	-	-	-	(1 095)	(24)	45.5	1 095	24	-
Total	(2 906)	(45)	65.4	(3 219)	(68)	47.2	313	23	18.2
Other Energy Purchased (3)									
APS	210	10	20.5	1 610	62	26.1	(1 400)	(52)	(5.6)
AEP and West	9 601	264	36.3	7 806	233	33.4	1 795	31	2.9
Jamestown	149	6	24.6	319	13	25.1	(170)	(7)	(0.5)
Ontario Hydro	2 164	64	34.1	1 894	57	33.4	270	7	0.7
PP&L (Martins Creek)	2 096	50	42.1	2 221	41	53.9	(125)	9	(11.8)
PE (Salem)	-	-	-	-	-	-	-	-	-
Central Hudson	2 593	59	44.2	1 590	32	49.7	1 003	27	(5.5)
Total	16 813	453	37.1	15 440	438	35.3	1 373	15	1.8
Total Energy Purchased (Net)	\$29 016	780	37.2	\$16 273	478	34.0	\$12 743	302	3.2
Revenues from Sales of Waste Heat	(41)	-	-	(95)	-	-	54	-	-
Total Energy Costs	\$43 196	1 290	33.5	\$31 889	1 230	25.9	\$11 307	60	7.6
Total Sales	\$43 196	1 084	39.9	\$31 889	1 091	29.2	\$11 307	(7)	10.7

(1) "Energy costs" are costs recoverable by retail energy clause (all fuel costs and all purchased power costs except demand charges and installed capacity payments).

(2) Before sales adjustment (see Exhibit JC-A, page 3); mills/kwh have been adjusted to correct minor differences due to rounding.

(3) Costs include demand charges, as authorized by the NJ BPU's Order in Docket No. 795-427 dated June 18, 1979.

Exhibit No. JC-A.2(a)
Witness: L. P. Gentieu
Date: 8/11/80
Page 1 of 2 .

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

Response to Public Advocate's data request made at discovery meeting held at GPU on 7/29/80:

"In reference to Jersey Central's forecast of PJM interchange costs, provide the oil cost assumptions of the PJM companies, if available. Also provide the same information for PJM's July 1980 PJM running rate study described in Exhibit JC-A.2"

Response:

PJM policy does not, in general, permit divulging the fuel cost data of a specific member company without that company's written permission. A sampling of several PJM companies' data, however, yielded the representative projections of the cost of No. 2 and No. 6 oil summarized on the following page (for comparative purposes, the equivalent Jersey Central oil cost assumptions are also shown).

Oil Costs Projected for Typical PJM and
Jersey Central Oil-Fired Units,
1980-1981

Forecast and Oil Type	Last Month of Actual Data Used in Forecast		Avg. Cost Projected For Year 1980 (\$/bbl)	Assumed Escalation Rate, 1981 Over 1980 (%)	Avg. Cost Projected For Year 1981 (\$/bbl)
	Month	\$/bbl			
<u>Jersey Central's "3+9"</u>					
<u>Budget Revision (forecast</u>					
<u>used for LEAC filing)</u>					
	Dec. 79				
No. 6 Oil					
PJM sample ⁽¹⁾		\$25.7	\$32.8	20% ⁽³⁾	\$39.4
Jersey Central ⁽²⁾		\$26.9	\$34.3	20%	\$41.2
No. 2 Oil					
PJM sample ⁽⁴⁾		\$28.8	\$36.7	20% ⁽³⁾	\$44.0
Jersey Central ⁽⁵⁾		\$28.8	\$36.7	20%	\$44.0
<u>PJM's July 1980</u>					
<u>Running Rate Study</u>					
<u>(see Exhibit JC-A.2)</u>					
	May 80				
No. 6 Oil					
PJM sample ⁽¹⁾		\$25.5	\$27.0	1%	\$31.1
Jersey Central ⁽²⁾		\$29.2	\$30.9	15%	\$35.5
No. 2 Oil					
PJM sample ⁽⁴⁾		\$34.8	\$36.8	15%	\$42.3
Jersey Central ⁽⁵⁾		\$34.0	\$36.0	15%	\$41.4

- (1) 13 intermediate oil-fired steam stations (i.e., Martin's Creek, Edgemoor, Hudson 1, etc.).
- (2) Gilbert, Sayreville and Werner steam units.
- (3) Jersey Central's escalation rate applied uniformly to other PJM companies' input fuel data.
- (4) about 20 combustion turbines.
- (5) Glen Gardner, Sayreville and Werner combustion turbines.

Exhibit No. JC-A.3(a)
Witness: L. P. Gentieu
Date: 8/15/80
Page 1 of 3

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

As requested by the parties, this exhibit provides an actual versus forecast comparison of the cost of Jersey Central's oil purchases by oil type (No. 2 and No. 6) and sulfur content (1.0% and 0.3% No. 6) for the months of April through July, 1980.

A similar comparison of Jersey Central's oil costs as burned is provided by Exhibit JC-A.3(b).

JERSEY CENTRAL POWER & LIGHT COMPANY
Oil Cost Comparisons, Actual vs. Forecast Cost of Oil Purchased⁽¹⁾
April-July 1980

	No. 6 Oil - 0.3% Sulfur ⁽²⁾				No. 6 Oil - 1.0% Sulfur ⁽³⁾				Total No. 6 Oil			
	Actual	Forecast	Inc., Actual Over Forecast		Actual	Forecast	Inc., Actual Over Forecast		Actual	Forecast	Inc., Actual Over Forecast	
			Amount	%			Amount	%			Amount	%
<u>April</u>												
Cost of purchases (\$000's)	\$ 574	\$ 3 820	\$(3 246)	(85.0)	\$ 82 ⁽⁴⁾	\$ 616	\$(534)	(86.7)	\$ 656	\$ 4 436	\$(3 780)	(85.2)
Barrels purchased (000's)	19	127	(108)	(85.0)	-	24	(24)	-	19	151	(132)	(87.4)
Delivered price (\$ per bbl)	29.81	30.13	(0.32)	(1.1)	-	25.18	-	-	34.56 ⁽⁴⁾	29.33	5.23	17.8
<u>May</u>												
Cost of purchases (\$000's)	\$1 450	\$ 2 589	\$(1 139)	(44.0)	\$ 77 ⁽⁴⁾	\$ 687	\$(610)	(88.8)	\$1 527	\$ 3 276	\$(1 749)	(53.3)
Barrels purchased (000's)	51	84	(33)	(39.3)	-	27	(27)	-	51	111	(60)	(54.1)
Delivered price (\$ per bbl)	28.46	30.84	(2.38)	(7.7)	-	25.77	-	-	30.00 ⁽⁴⁾	29.62	0.38	1.3
<u>June</u>												
Cost of purchases (\$000's)	\$ 650	\$ 2 849	\$(2 199)	(77.2)	\$1 253	\$ 645	\$ 608	94.3	\$1 903	\$ 3 494	\$(1 591)	(45.5)
Barrels purchased (000's)	23	90	(67)	(74.4)	50	25	25	100.0	73	115	(42)	(36.5)
Delivered price (\$ per bbl)	28.46	31.58	(3.12)	(9.9)	25.31	26.36	(1.05)	(4.0)	26.30	30.47	(4.17)	(13.7)
<u>July</u>												
Cost of purchases (\$000's)	\$2 868	\$ 3 066	\$ (198)	(6.5)	\$1 259	\$ 718	\$ 541	75.3	\$4 127	\$ 3 784	\$ 343	9.1
Barrels purchased (000's)	100	95	5	5.3	49	27	22	81.5	149	122	27	22.1
Delivered price (\$ per bbl)	28.72	32.30	(3.58)	(11.1)	25.69	26.95	(1.26)	(4.7)	27.72	31.13	(3.41)	(11.0)
<u>4 Months, April -July 1980</u>												
Total Cost of purchases (\$000's)	\$5 542	\$12 324	\$(6 782)	(55.0)	\$2 671	\$2 666	\$ 5	0.2	\$8 213	\$14 990	\$(6 777)	(45.2)
Barrels purchased (000's)	193	396	(203)	(51.3)	99	107	(4)	(3.9)	292	499	(207)	(41.5)
Delivered price (\$ per bbl)	28.73	31.13	(2.40)	(7.7)	27.20	26.08	1.12	4.3	28.21	30.09	(1.88)	(6.2)

(1) Forecast per "3+9" budget revision.

(2) Burned at Sayreville and Werner intermediate steam units.

(3) Burned at Gilbert intermediate steam units.

(4) Reflects inventory adjustments in these months.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Oil Cost Comparisons, Actual vs. Forecast Cost of Oil Purchased⁽¹⁾
 April-July 1980

	No. 2 Oil ⁽²⁾				Total No. 2 and No. 6 Oil			
	Actual	Forecast	Incr., Actual Over Forecast Amount	\bar{X}	Actual	Forecast	Incr., Actual Over Forecast Amount	\bar{X}
<u>April</u>								
Cost of purchases (\$000's)	\$2 381	\$ 4 629	\$ (2 248)	(48.6)	\$ 3 037	\$ 9 065	\$ (6 028)	(66.5)
Barrels purchased (000's)	68	136	(68)	(50.0)	87 ⁽³⁾	287	(200)	(67.9)
Delivered price (\$ per bbl)	35.20	34.16	1.04	3.0	35.06 ⁽³⁾	31.61	3.45	10.9
<u>May</u>								
Cost of purchases (\$000's)	\$ 764	\$ 4 982	\$ (4 218)	(84.7)	\$ 2 291	\$ 8 258	\$ (5 967)	(72.3)
Barrels purchased (000's)	21	142	(121)	(85.2)	72 ⁽³⁾	253	(181)	(71.5)
Delivered price (\$ per bbl)	35.84	34.98	0.86	2.5	31.72 ⁽³⁾	32.64	(0.92)	(2.8)
<u>June</u>								
Cost of purchases (\$000's)	\$ 493 ⁽³⁾	\$ 5 072	\$ (4 579)	(90.3)	\$ 2 396	\$ 8 566	\$ (6 170)	(72.0)
Barrels purchased (000's)	12 ⁽³⁾	142	(130)	-	85	257	(172)	(66.9)
Delivered price (\$ per bbl)	39.48 ⁽³⁾	35.75	3.72	-	28.24	33.39	(5.15)	(15.4)
<u>July</u>								
Cost of purchases (\$000's)	\$4 023	\$ 5 413	\$ (1 390)	(25.7)	\$ 8 150	\$ 9 197	\$ (1 047)	(11.4)
Barrels purchased (000's)	116	148	(32)	(21.6)	265	270	(5)	(1.9)
Delivered price (\$ per bbl)	34.69	36.57	(1.88)	(5.1)	30.77	34.12	(3.35)	(9.8)
<u>4 Months, April-July 1980</u>								
Cost of purchases (\$000's)	\$7 661	\$20 066	\$(12 435)	(61.9)	\$15 874	\$35 086	\$(19 212)	(54.8)
Barrels purchased (000's)	217	567	(351)	(61.8)	509	1 067	(558)	(52.3)
Delivered price (\$ per bbl)	35.23	35.39	(0.16)	(0.5)	31.22	32.92	(1.70)	(5.2)

(1) Forecast per "3+9" budget revision.

(2) Burned in peaking (combustion turbine) units, including the Gilbert combined cycle units (also includes start-up oil for nuclear and coal-fired steam units).

(3) Reflects inventory adjustments in these months.

Exhibit No. JC-A.4(b)
Witness: L. P. Gentieu
Date: 8/11/80
Page 1 of 2

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

Response to Public Advocate's data request made at discovery meeting held at GPU on 7/29/80:

"Provide an actual versus forecast comparison of the quantities and cost of natural gas burned by Jersey Central in the months of April, May and June 1980."

Response:

The requested information is shown on the following page.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Comparison of Gas Burned - Actual vs 3+9 Budget
 April - June 1980

	Actual			3+9 Budget			Increase, Actual Over Budget		
	MCF (000)	Cost (\$000)	Unit Cost (\$/MCF)	MCF (000)	Cost (\$000)	Unit Cost (\$/MCF)	MCF (000)	Cost (\$000)	Unit Cost (\$/MCF)
Sayreville Steam									
April	783	\$2 734	3.49	600	\$1 920	3.20	183	\$ 814	0.29
May	849	2 153	2.54	600	1 938	3.23	249	215	(0.69)
June	762	1 671	2.19	300	978	3.26	462	693	(1.07)
Total	2 394	\$6 558	2.74	1 500	\$4 836	3.22	894	\$1 722	(0.48)
Gilbert Steam									
April	284	\$1 006	3.54	250	\$ 855	3.42	34	\$ 151	0.12
May	261	917	3.51	250	863	3.45	11	54	0.06
June	320	1 135	3.55	250	871	3.48	70	264	0.07
Total	865	\$3 058	3.54	750	\$2 589	3.45	115	\$ 469	0.09
Gilbert CT									
April	18	\$ 63	3.50	232	\$ 793	3.42	(214)	\$ (730)	0.08
May	39	138	3.54	244	843	3.45	(205)	(705)	0.09
June	16	57	3.56	241	839	3.48	(225)	(782)	0.08
Total	73	\$ 258	3.50	717	\$2 475	3.45	(644)	\$(2 217)	0.08
Riegel CT									
April	135	\$ 472	3.50	180	\$ 615	3.42	(45)	\$ (143)	0.08
May	145	526	3.63	189	654	3.46	(44)	(128)	0.17
June	102	356	3.49	86	647	3.48	(84)	(291)	0.01
Total	382	\$1 354	3.54	455	\$1 916	3.45	(173)	\$(562)	0.09
Total Gas									
April	1 220	\$4 275	3.50	1 262	\$4 183	3.31	(42)	\$ 92	0.19
May	1 294	3 734	2.89	1 283	4 298	3.35	11	(564)	(0.46)
June	1 200	3 219	2.68	977	3 335	3.41	223	(116)	(0.73)
Total	3 714	\$11 228	3.02	3 522	\$11 816	3.35	192	\$(588)	(0.33)

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ EPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

Response to Public Advocate's data request made at discovery meeting held at GPU on 7/24/80:

"Provide the derivation of the sales adjustments appearing on page 3 of Exhibit JC-A."

Response:

In recognition of the fact that in the short run, Jersey Central's base load generation is unaffected by changes in sales, the sales reductions shown on page 3 of Exhibit JC-A were assumed to reduce Jersey Central's purchased power and related costs. The amount of such reductions were determined by reducing interchange and other energy purchases, and increasing interchange sales, in the same ratios that were forecast before the sales adjustment. The adjusted purchases and sales were then priced at the rates forecast before adjustment, as shown by the sample calculation (for July, 1980) on page 2.

This method was applied uniformly by months for the period July, 1980 through August, 1981, as shown on pages 3 and 4.

JERSEY CENTRAL POWER & LIGHT COMPANY
Calculation Illustrating Sales Adjustment Method, Month of July 1980

	Interchange and Other Energy Purchased Before Sales Adjustment ⁽¹⁾			Sales Adjustment			Interchange and Other Energy Purchased As Adjusted		
	Gwh	\$ 000's	Mills/Kwh	Assumed Effect of Sales Change ⁽²⁾	Change in Energy Costs ⁽⁴⁾		Gwh	\$000's	Mills/Kwh
	(1)	(2)	(3)	% (4)	Gwh (5) = total x (4)	\$ 000's (6) = (3) x (5)	(7) = (1) + (5)	(8) = (2) + (6)	
PJM and GPU Interchange Purchased	108	\$ 4 052	37.5	17.6%	(10)	\$ (375)	98	\$ 3 677	37.5
PJM and GPU Interchange (Sold)	(68)	(3 219)	47.3	11.1%	(6)	(284)	(74)	(3 503)	47.3
Other Energy Purchased	<u>438</u>	<u>15 440</u>	<u>35.3</u>	<u>71.3</u>	<u>(39)</u>	<u>(1 377)</u>	<u>399</u>	<u>14 063</u>	<u>35.3</u>
Net Energy Purchased	478	\$16 273	34.0	100.0%	(55) ⁽³⁾	\$(2 036)	423	\$14 237	33.7

(1) From Exhibit JC-A, page 4

(2) Sales reduction assumed to result in reduced interchange and other energy purchased and increased interchange sales in same ratios that existed prior to sales reduction:

$$17.6\% = 108 \div (108 + 68 + 438)$$

$$11.1\% = 68 \div (108 + 68 + 438)$$

$$71.3\% = 438 \div (108 + 68 + 438)$$

(3) 55 Gwh = 49 Gwh sales adjustment from Exhibit JC-A, page 3 x 1.127, ratio of NSR to sales from Exhibit JC-A, page 4 (1,230 Gwh 1091 Gwh)

(4) Sales adjustment method prices the sales change (i.e., equivalent NSR) at the weighted average cost of interchange purchases and sales and other energy purchased:

$$\frac{\$2 036}{55 \text{ Gwh}} = \frac{(\$4 052 + \$3 219 + \$15 440)}{(108 \text{ Gwh} + 68 \text{ Gwh} + 438 \text{ Gwh})} = 37.0 \text{ Mills/Kwh}$$

JERSEY CENTRAL POWER & LIGHT COMPANY
 Derivation of Energy Cost Reductions Associated with Sales Adjustment
 July 1980 - August 1980

Line No.	<u>July</u>	<u>August</u>
	Cost of interchange and other energy purchased plus amount received from interchange sales	
(1)	\$22.7	\$24.2
	Interchange and other energy purchased plus interchange energy sold (Gwh; Exh. JC-A, pgs. 4-8)	
(2)	614	638
	Weighted average cost per Kwh of interchange energy purchased and sold and other energy purchased (mills/Kwh; L1 ÷ L2)	
(3)	37.0	38.0
	Sales adjustment (Gwh; Exh. JC-A, pg.3)	
(4)	49	42
	Net system requirements (Gwh; Exh. JC-A, pgs. 4-8)	
(5)	1 230	1 283
	Sales as budgeted (Gwh; Exh. JC-A, pgs. 4-8)	
(6)	1 091	1 113
	Ratio, NSR to sales (L5 ÷ L6)	
(7)	1.127	1.153
	NSR adjustment equivalent to Sales adj. (Gwh; L4 x L7)	
(8)	55	48
	Estimated reduction in energy costs associated with sales adjustment (\$millions; L3 x L8)	
(9)	<u>\$2.0</u>	<u>\$1.8</u>

JERSEY CENTRAL POWER & LIGHT COMPANY
Derivation of Energy Cost Reductions Associated with Sales Adjustments
12 Months Ended August 31, 1981 (LEAC Period)

Line No.	Sept 80	Oct	Nov	Dec	Jan 81	Feb	Mar	Apr	May	June	July	Aug	12 Mos Aug 1981
	Cost of interchange and other energy purchased plus amount received from interchange sales												
(1)	\$22.0	\$29.3	\$30.6	\$37.9	\$39.5	\$38.1	\$37.2	\$37.1	\$38.5	\$34.0	\$25.6	\$25.2	\$398.8
	Interchange and other energy purchased plus interchange energy sold (Gwh; Exh. JC-A, pgs. 4-8)												
(2)	592	728	771	916	852	829	817	828	857	765	585	622	9 162
	Weighted average cost per Kwh of Interchange energy purchased and sold and other energy purchased (mills/Kwh; L1 ÷ L2)												
(3)	37.2	40.2	39.7	41.4	46.3	46.0	45.5	44.8	44.9	44.4	43.4	47.0	43.5
	Sales adjustment (Gwh; Exh. JC-A, pg. 3)												
(4)	41	36	40	50	31	27	15	34	29	44	61	60	468
	Net system requirements (Gwh; Exh. JC-A, pgs. 4-8)												
(5)	1 076	1 096	1 131	1 309	1 372	1 255	1 251	1 081	1 087	1 160	1 273	1 329	14 420
	Sales as budgeted (Gwh; Exh. JC-A, pgs. 4-8)												
(6)	1 079	978	1 012	1 143	1 246	1 210	1 144	1 067	976	1 036	1 131	1 161	13 183
	Ratio, NSR to sales (L5 ÷ L6)												
(7)	0.997	1.121	1.118	1.145	1.101	1.037	1.094	1.013	1.114	1.120	1.126	1.145	1.994
	NSR adjustment equivalent to Sales adj. (Gwh; L4 x L7)												
(8)	41	40	45	57	34	28	16	34	32	49	68	68	512
	Estimated reduction in energy costs associated with sales adjustment (\$millions; L3 x L8)												
(9)	\$1.5	\$1.6	\$1.8	\$2.4	\$1.6	\$1.3	\$0.7	\$1.5	\$1.4	\$2.2	\$3.0	\$3.2	\$22.2

Jersey Central Power and Light Company
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7-21-80

Response to Public Advocate's and NJ BPU Staff's data request made at discovery meeting held at GPU on 7-29-80:

"Based on the sales forecast used in the LEAC filing (July 1980 Forecast), provide, by FPC classes, Jersey Central's estimates of sales, customers, and residential use per customer for the years 1980 (beginning in July) and 1981 by months."

Response:

The three attached tables provide the data as requested.

FPC CLASS
FORECAST
FOR 1980.

JERSEY CENTRAL POWER & LIGHT - JULY 1980 FORECAST

SALES IN GWHs, NUMBER OF CUSTOMERS

SALES IN GWH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
RESIDENTIAL NON-TOTAL ELEC	349.	318.	310.	290.	265.	280.	353.	374.	346.	280.	282.	320.	3776.
RESIDENTIAL TOTAL ELECTRIC	196.	191.	167.	138.	76.	58.	60.	62.	57.	61.	97.	153.	1296.
TOTAL RESIDENTIAL	545.	509.	477.	408.	341.	347.	413.	436.	403.	341.	379.	473.	5072.
COMMERCIAL	326.	334.	313.	282.	263.	284.	302.	304.	296.	276.	272.	303.	3555.
INDUSTRIAL	289.	318.	308.	299.	296.	306.	298.	301.	310.	296.	290.	282.	3593.
PUBLIC ST. & HWY. LIGHTING	9.	8.	8.	7.	6.	5.	6.	6.	7.	9.	9.	10.	90.
ELECTRIC UTILITIES	28.	28.	25.	23.	20.	21.	23.	24.	22.	20.	22.	25.	281.
OTHER SALES TO PUBLIC AUTH	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
* TOTAL *	1197.	1197.	1131.	1019.	926.	963.	1042.	1071.	1038.	942.	972.	1093.	12592.

CUSTOMERS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
RESIDENTIAL NON-TOTAL ELEC	545060.	546953.	547728.	549282.	552617.	555136.	554897.	555380.	555432.	554630.	552942.	552485.	551954.
RESIDENTIAL TOTAL ELECTRIC	74891.	75275.	75672.	76074.	76764.	76632.	76719.	77819.	77219.	77394.	77644.	77844.	76562.
TOTAL RESIDENTIAL	620851.	622228.	623400.	625356.	628981.	631768.	631616.	632399.	632651.	632032.	630586.	630329.	628516.
COMMERCIAL	67250.	67323.	67482.	67791.	68083.	68641.	68877.	69052.	69068.	68901.	68609.	68491.	68314.
INDUSTRIAL	2740.	2730.	2729.	2738.	2742.	2734.	2826.	2831.	2831.	2831.	2829.	2826.	2782.
PUBLIC ST. & HWY. LIGHTING	880.	873.	874.	874.	880.	878.	860.	860.	860.	860.	860.	860.	868.
ELECTRIC UTILITIES	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.
OTHER SALES TO PUBLIC AUTH	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
* TOTAL *	691727.	693160.	694491.	696765.	700892.	704027.	704185.	705148.	705416.	704630.	702890.	702512.	700487.

NOTE DATA INCLUDES SIX MONTHS OF ACTUAL WEATHER ADJUSTED SALES

JERSEY CENTRAL POWER & LIGHT -- JULY 1980 FORECAST

FPC CLASS
FORECAST
FOR 1981.

SALES IN GWHs, NUMBER OF CUSTOMERS

SALES IN GWH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
RESIDENTIAL NON-TOTAL ELEC	350.	320.	311.	293.	268.	294.	357.	378.	352.	284.	286.	322.	3815.
RESIDENTIAL TOTAL ELEC	198.	193.	169.	122.	79.	60.	62.	64.	59.	63.	101.	156.	1358.
TOTAL RESIDENTIAL	548.	513.	480.	415.	347.	354.	419.	442.	411.	347.	387.	478.	5141.
COMMERCIAL	331.	339.	319.	292.	275.	294.	310.	313.	305.	285.	280.	311.	3645.
INDUSTRIAL	256.	303.	297.	296.	298.	317.	318.	317.	322.	313.	307.	298.	3670.
PUBLIC ST. & HWY. LIGHTING	9.	8.	8.	7.	6.	5.	6.	6.	8.	9.	9.	10.	92.
ELECTRIC UTILITIES	31.	29.	25.	23.	21.	22.	25.	26.	23.	22.	24.	26.	237.
OTHER SALES TO PUBLIC AUTH	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
* TOTAL *	1215.	1183.	1129.	1033.	947.	992.	1070.	1101.	1069.	976.	1007.	1123.	12845.

CUSTOMERS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
RESIDENTIAL NON-TOTAL ELEC	551776.	552084.	552610.	554157.	556097.	559835.	561295.	562223.	562715.	562350.	561167.	561192.	558290.
RESIDENTIAL TOTAL ELEC	78124.	78493.	78598.	78916.	79273.	79883.	80378.	80923.	81351.	81812.	82351.	82824.	80252.
TOTAL RESIDENTIAL	629900.	639577.	631308.	633073.	636270.	639718.	641673.	643146.	644066.	644162.	643518.	644016.	638452.
COMMERCIAL	68442.	68462.	68506.	68968.	69473.	69874.	70086.	70262.	70277.	70105.	69806.	69684.	69593.
INDUSTRIAL	2825.	2819.	2820.	2830.	2841.	2839.	2838.	2843.	2843.	2843.	2841.	2838.	2835.
PUBLIC ST. & HWY. LIGHTING	861.	861.	861.	861.	861.	861.	861.	861.	861.	861.	861.	861.	861.
ELECTRIC UTILITIES	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.	6.
OTHER SALES TO PUBLIC AUTH	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
* TOTAL *	702034.	702725.	703591.	705738.	709451.	713298.	715464.	717118.	718053.	717977.	717032.	717485.	711657.

JCP&L - JULY 1980 FORECASTResidential kWh/Customer

	<u>1980</u>		<u>1981</u>	
	<u>NTE</u>	<u>AE</u>	<u>NTE</u>	<u>AE</u>
Jan	639	2617	634	2534
Feb	581	2537	580	2459
Mar	566	2207	563	2147
Apr	528	1551	529	1546
May	480	996	481	997
June	521	757	525	751
July	636	782	636	771
Aug	673	805	672	791
Sept	623	738	626	725
Oct	505	788	505	770
Nov	510	1249	510	1227
Dec	579	1966	574	1884
Year	6841	16927	6834	16523

*Note: 1980 data includes six months of actual weather adjusted history.

BKB
7/29/80

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

Response to Public Advocate's data request made by letter dated 8/4/80:

"Provide the following information about JCP&L's fuel oil supply situation:

- (A) Delivery location(s) by type of fuel.
- (B) Contract terms.
 - (1) Supplier(s)
 - (2) Contract period(s).
 - (3) Base price(s) by fuel type.
 - (4) Escalator term(s).

Provide the following information about the assumptions used to develop the following oil price forecast:

- (A) Contract purchases.
 - (1) Volumes purchased by month for each fuel type.
 - (2) Method used to forecast prices for each fuel type.
 - (3) Forecast of fuel oil prices by type of fuel oil by month if different from overall price forecast already provided.
- (B) Spot market purchases. (Same type of information as provided in A above)."

Response:

A. Delivery locations by type of fuel:

No. 2 Oil

Gilbert (Getty)
Sayreville (Hess)
Werner (Hess)
Glen Gardner (Getty)

No. 6 Oil, 1.0% Sulfur

Gilbert (Hess)

No. 6 Oil, 0.3% Sulfur

Sayreville (Hess, Belcher)
Werner (Hess, Belcher)

B. Contract Terms:No. 2 Oil

- (1) Getty Oil Co. - Gilbert (via pipeline from Marcus Hook)
Getty Oil Co. - Glen Gardner
- (2) Glen Gardner (truck), 11-5-74 to 12-31-79, and automatically renewed thereafter on mutually agreed upon terms. Currently extended through 12-31-80. Gilbert (barge), 11-5-74 to 12-31-79, and renewed thereafter upon mutually agreed upon terms. Currently extended through 12-31-81.
- (3) Price - Seller's respective consumer barge price or tank car price in effect at time of delivery, F.O.B. at Sellers' shipping terminal. 1% discount for payment within 10 days.
- (4) Escalation - As per Sellers's posting. For quantities see attached Appendix A, pages 1 and 2.

No. 2 Oil

- (1) Amerada Hess Co. - Sayreville
Amerada Hess Co. - Werner
- (2) Terms - 1-1-78 to 12-31-80
- (3) Price - Seller's N.Y. Harbor Consumer Barge price for No. 2 fuel oil as published in the New York Journal of Commerce and in effect on date of each delivery, less allowances, plus barging costs. Buyer will pay Seller for Oil delivered hereunder, net cash within (30) days after the month of delivery.
- (4) Escalation - As per posted price changes. For quantities see Appendix A, page 3.

No. 6 Oil, 1.0% Sulfur

- (1) Amerada Hess Co. - Gilbert (via pipeline from Marcus Hook)

Term - 7-1-78 to 6-30-82
- (3) Seller's Phila. Harbor Consumer Barge price for No. 6 fuel oil as published in the New York Journal of Commerce and in effect on date of each delivery, less allowances, and BTU adjustment. 1% discount for payment received by Seller within 10 days.
- (4) Escalation as per posted price. For quantities, see Appendix A, page 4.

No. 6 Oil, 0.3% Sulfur

- (1) Amerada Hess Co. - Werner
- (2) Term - 7-1-79 to 6-30-80

B. Contract terms cont'd.

No. 6 Oil, 0.3% Sulfur cont'd.

- (3) Price - Sellers N.Y. Harbor Consumer Barge price for No. 6 fuel oil as published in the New York Journal of Commerce in effect on date of each delivery plus barge transportation costs, less allowances, less 1% discount for payment within 10 days, and appropriate BTU content adjustment.
- (4) Escalation - As per supplier's postings. For quantities see Appendix A page 5.

No. 6 Oil, 0.3% Sulfur

- (1) Amerada Hess Co. - Sayreville
- (2) Term - 7-1-79 to 6-30-80
- (3) Price - Sellers N.Y. Harbor Consumer Barge price for No. 6 fuel oil as published in the New York Journal of Commerce in effect on date of each delivery plus barge transportation costs, less allowances, and appropriate BTU content adjustment.

Buyer will pay Seller for Oil delivered hereunder net cash within (30) days after the month of delivery.

- (4) Escalation - as per Seller's posting. For quantities see attached Appendix A, pages 1 and 2.

No. 6 Oil, 0.3% Sulfur

- (1) Belcher Co. of N.Y. - Sayreville
Belcher Co. of N.Y. - Werner
- (2) Terms - 7-1-79 to 6-30-82
- (3) Price - Average of Exxon and Scallop's cargo postings for N.Y. Harbor as published in the Oil Buyers Guide and in effect on date of delivery, plus transportation, less average of entitlements, less allowances, plus BTU adjustment, and minimum seasonal allowance.
- (4) Escalation - As per Exxon and Scallop's postings. For quantities see Appendix A, page 6.

A. Contract purchases:

(1) Volumes purchased by month for each fuel type.

JCP&L No. 2 OIL
(Thousands of Barrels before gas adj.)

	1980		1981	
	<u>BBL's</u>	<u>\$/BBL</u>	<u>BBL's</u>	<u>\$/BBL</u>
January			111	41.70
February			103	42.38
March			111	43.11
April	136	34.16	107	43.78
May	142	34.98	116	44.43
June	142	35.76	105	45.02
July	148	36.57	111	45.33
August	145	37.38	119	46.44
September	135	38.18	114	47.12
October	128	39.10	117	47.80
November	136	39.86	112	48.48
December	140	40.67	108	49.13

Reference price actual December 1979 - \$29.82/BBL

Source: Jersey Central's Fuel Inventory Statistics Forecast

JCP&L No. 6 Oil 0.3% Sulphur
(Thousands of Barrels before gas adj.)

	1980		1981	
	<u>BBL's</u>	<u>\$/BBL</u>	<u>BBL's</u>	<u>\$/BBL</u>
January			100	36.51
February			73	37.09
March			82	37.69
April	127	30.13	154	38.29
May	84	30.84	174	38.89
June	90	31.58	169	39.49
July	95	32.30	174	40.08
August	102	33.02	174	40.68
September	122	33.74	167	41.28
October	130	34.47	172	41.87
November	119	35.19	126	42.48
December	90	35.92	125	43.07

Reference price actual December 1979 - \$29.72/BBL

Source: Jersey Central's Fuel Inventory Statistics Forecast

(1) Volumes purchased by month for each fuel type cont'd.

JCP&L No. 6 Oil 1% Sulphur
(Thousands of Barrels before gas adj.)

	1980		1981	
	<u>BBL's</u>	<u>\$/BBL</u>	<u>BBL's</u>	<u>\$/BBL</u>
January			49.6	30.40
February			44.8	30.89
March			49.6	31.38
April	24	25.18	48.0	31.87
May	27	25.77	49.6	32.36
June	25	26.36	48.0	32.85
July	27	26.95	49.6	33.34
August	27	27.55	49.6	33.83
September	24	28.14	48.0	34.32
October	27	28.73	49.6	34.81
November	16	29.32	26.1	35.31
December	25	29.91	46.6	35.79

Reference price actual December 1979 - \$28.23/BBL

Source: Jersey Central's Fuel Inventory Statistics Forecast

A. Contract purchases cont'd.

(2) Method used to forecast prices for each fuel type.

A cost mark-up approach has been used to develop escalation rates for each fuel type. The basic theory behind this approach is that petroleum product prices respond to changes in the cost of crude oil or other refinery inputs on a one-for-one basis. If the cost of crude oil or other refinery inputs increased by one dollar per barrel of refined products, then each of the refined products' prices will increase by one dollar per barrel. Historically, the cost mark-up approach provides a good approximation if the elasticity of supply is very large and the elasticity of demand is small. This model was tested using the 1979 Hess oil prices at JCP&L versus average refiner acquisition cost of crude oil and found to give a very satisfactory correlation.

(3) Forecast of fuel oil prices by type of fuel oil.

Fuel oil prices are forecast as listed in the volumes purchased section above.

B. Spot Market Purchases

None

SCHEDULE "C"

GILBERT STATIONFUEL OIL BARGE DELIVERYBARRELS X 1000

GETTY OIL CO. - NO. 2 OIL

Original

Revised

Minimum MaximumMinimum Maximum

January 1976 - June 1976	250	450	200	360
July 1976 - December 1976	250	450	200	360
January 1977 - June 1977	250	450	200	360
July 1977 - December 1977	250	450	200	360
January 1978 - June 1978	250	450	200	360
July 1978 - December 1978	250	450	200	360
January 1979 - June 1979	250	450	20	360
July 1979 - December 1979	250	450	200	360
January 1980 - June 1980	250	450	200	360
July 1980 - December 1980	250	450	200	360
January 1981 - June 1981	250	450	200	360
July 1981 - December 1981	250	450	200	360

SCHEDULE "A"

GETTY OIL CO. - NO. 2 OIL

GLEN GARDNER STATION
FUEL OIL TRANSPORT TRUCK DELIVERY
(1,000/GALLONS)

	<u>Original</u>		<u>Revised</u>	
	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
September 1975 - February 1976	10,800	16,700	NOT APPLICABLE	
September 1975 - November 1975	NOT APPLICABLE		5,400	8,350
December 1975 - February 1976	NOT APPLICABLE		787	1,218
March 1976 - August 1976	10,800	16,700	1,575	2,436
September 1976 - February 1977	7,800	13,700	1,575	2,436
March 1977 - August 1977	7,800	13,700	1,575	2,436
September 1977 - February 1978	7,800	13,700	1,575	2,436
March 1978 - August 1978	7,800	13,700	1,575	2,436
September 1978 - February 1979	7,800	13,700	1,575	2,436
March 1979 - August 1979	7,800	13,700	1,575	2,436
September 1979 - February 1980	7,800	13,700	1,050*	1,302*

Period is September 1, 1975 to December 31, 1979

AMERADA HESS CO.

SAYREVILLE/WERNER - NO. 2 OIL

Attachment A

QUANTITIES (BARRELS)

	<u>1978</u>	<u>1979</u>	<u>1980</u>
January	49,000	47,000	55,000
February	43,000	43,000	50,000
March	48,000	48,000	57,000
April	48,000	48,000	58,000
May	34,000	38,000	46,000
June	36,000	39,000	47,000
July	38,000	41,000	49,000
August	37,000	41,000	49,000
September	33,000	38,000	46,000
October	35,000	39,000	47,000
November	50,000	53,000	62,000
December	<u>49,000</u>	<u>52,000</u>	<u>61,000</u>
Total	500,000	527,000	627,000

GILBERT - 1.0% NO. 6 OIL

QUANTITIES (THOUSANDS OF BARRELS)

	<u>July-June</u> <u>1979-1980</u>	<u>July-June</u> <u>1980-1981</u>	<u>July-June</u> <u>1981-1982</u>
July	65	68	67
August	65	68	67
September	63	67	65
October	65	68	67
November	34	37	36
December	61	64	62
January	68	67	66
February	62	61	60
March	68	67	66
April	67	65	64
May	68	67	66
June	<u>67</u>	<u>65</u>	<u>64</u>
	753	764	750

SAYREVILLE/WERNER - 0.3% NO. 6 OIL

QUANTITIES (THOUSANDS OF BARRELS)

	<u>July-June 1979-1980</u>	<u>July-June 1980-1981</u>	<u>July-June 1981-1982</u>
July	193	184	196
August	182	184	196
September	176	174	185
October	191	184	196
November	175	147	156
December	133	133	142
January	137	146	134
February	167	177	163
March	135	144	132
April	150	160	148
May	178	189	175
June	<u>178</u>	<u>189</u>	<u>175</u>
	1,995	2,011	1,998

SAYREVILLE/WERNER - 0.3% NO. 6 OIL

QUANTITIES (THOUSANDS OF BARRELS)

	<u>July-June</u> <u>1979-1980</u>	<u>July-June</u> <u>1980-1981</u>	<u>July-June</u> <u>1981-1982</u>
July	40	37	39
August	36	37	39
September	36	35	37
October	39	37	39
November	35	29	31
December	27	26	28
January	28	29	27
February	33	35	33
March	28	29	26
April	30	32	30
May	36	38	35
June	<u>36</u>	<u>38</u>	<u>35</u>
	404	402	399

GPU Service

BmH
GPU Service Corporation
100 Interpace Parkway
Parsippany, New Jersey 07054
201 263-6500
TELEX 136-482
Writer's Direct Dial Number:
(201) 263-6013

August 18, 1980

The Honorable Stephen G. Marshall
Office of Administrative Law
State of New Jersey
185 Washington Street
Newark, New Jersey 07102

RE: Jersey Central's LEAC Increase Request
(NJ BPU Docket No. 807-488)

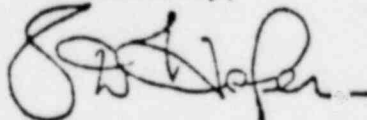
Dear Judge Marshall:

Following up on my letter dated August 15, 1980, enclosed is one copy of the following exhibits:

JC-A.3(b)
JC-A.3(c)
JC-A.4(c)
JC-A.4(d)
JC-C.1
JC-D.1

Copies are also being sent to the service list today.

Sincerely,



F. D. Hafer

cc: R. Parker (W. Att.-2)
Service List (W. Att.)

JERSEY CENTRAL POWER & LIGHT COMPANY
BPU DOCKET NO. 804-285/807-488
OAL DOCKET NO. PUC 3518-80

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Exhibit No. JC-A.3(b)
Witness: L. P. Gentieu
Date: 8/18/80
Page 1 of 3

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

This exhibit updates Exhibit JC-A.3 to provide an actual versus forecast comparison of Jersey Central's oil costs as burned for the month of July 1980 and the 4-month period from April through July 1980. It also revises the unit costs appearing on page 3 of Exhibit JC-A.3 to correct minor rounding errors.

JERSEY CENTRAL POWER & LIGHT COMPANY
Oil Cost Comparisons, Actual vs. Forecast Cost of Oil Burned (1)
April - July 1980

	No. 6 Oil - 0.32 Sulfur (2)			No. 6 Oil - 1.0% Sulfur (3)			Total No. 6 Oil		
	Actual	Forecast	Incr., Actual Over Forecast	Actual	Forecast	Incr., Actual Over Forecast	Actual	Forecast	Incr., Actual Over Forecast
April									
Cost of oil burned (\$000's)	\$ 689	\$ 3 959	\$(3 270)	\$ 293	\$ 659	\$(366)	\$ 982	\$ 4 618	\$(3 636)
Barrels burned (000's)	23	127	(104)	11	24	(13)	34	151	(117)
Unit cost (\$ per bbl)	29.95	31.22	(1.27)	25.70	26.93	(1.23)	28.54	30.52	(1.98)
			(82.6)			(55.5)			(78.7)
			(81.9)			(54.2)			(77.5)
			(4.1)			(1.23)			(6.5)
May									
Cost of oil burned (\$000's)	\$ 1 781	\$ 2 609	\$(828)	\$ 364	\$ 711	\$(347)	\$ 2 145	\$ 3 320	\$(1 175)
Barrels burned (000's)	62	84	(22)	14	27	(13)	76	111	(35)
Unit cost (\$ per bbl)	28.80	31.09	(2.29)	26.46	26.69	(0.23)	28.37	30.03	(1.66)
			(31.7)			(48.8)			(35.4)
			(26.2)			(48.1)			(31.5)
			(1.0)			(0.23)			(5.5)
June									
Cost of oil burned (\$000's)	\$ 794	\$ 2 826	\$(2 032)	\$ 192	\$ 652	\$(460)	\$ 986	\$ 3 478	\$(2 492)
Barrels burned (000's)	28	91	(63)	7	24	(17)	35	115	(80)
Unit cost (\$ per bbl)	28.77	31.32	(2.55)	26.07	26.63	(0.56)	28.20	30.32	(2.12)
			(71.9)			(70.6)			(71.7)
			(69.2)			(70.8)			(69.6)
			(8.1)			(2.1)			(7.0)
July									
Cost of oil burned (\$000's)	\$ 3 361	\$ 3 006	\$ 335	\$ 719	\$ 712	\$ 7	\$ 4 080	\$ 3 718	\$ 362
Barrels burned (000's)	116	95	21	28	27	1	144	122	22
Unit cost (\$ per bbl)	28.95	31.67	(2.72)	25.98	26.72	(0.74)	28.38	30.58	(2.20)
			11.8			1.0			9.7
			22.1			3.7			18.0
			(8.6)			(2.8)			(7.2)
4 Months, April - July 1980									
Cost of oil burned (\$000's)	\$ 6 625	\$ 12 400	\$(5 775)	\$ 1 568	\$ 2 734	\$(1 166)	\$ 8 193	\$ 15 134	\$(6 941)
Barrels burned (000's)	229	397	(168)	60	102	(42)	289	499	(210)
Unit cost (\$ per bbl)	28.99	31.32	(2.33)	26.05	26.74	(0.69)	28.37	30.38	(2.01)
			(46.6)			(42.6)			(45.9)
			(42.3)			(41.2)			(42.1)
			(7.4)			(2.6)			(6.6)

(1) Forecast - "3+9" budget revision.
 (2) Burned at Sayreville and Werner Intermediate steam units.
 (3) Burned at Gilbert Intermediate steam units.

JERSEY CENTRAL POWER & LIGHT COMPANY
Oil Cost Comparisons, Actual vs. Forecast Cost of Oil Burned⁽¹⁾
April - July 1980

	No. 2 Oil ⁽²⁾				Total No. 2 and No. 6 Oil			
	Actual	Forecast	Incr., Actual Over Forecast Amount	%	Actual	Forecast	Incr., Actual Over Forecast Amount	%
<u>April</u>								
Cost of oil burned (\$000's)	\$ 208	\$ 4 347	\$ (4 139)	(95.2)	\$ 1 190	\$ 8 965	\$ (7 775)	(86.7)
Barrels burned (000's)	7	136	(129)	(94.9)	41	287	(246)	(85.7)
Unit cost (\$ per bbl)	30.84	32.08	(1.24)	(3.9)	28.91	31.26	(2.35)	(7.5)
<u>May</u>								
Cost of oil burned (\$000's)	\$1 514	\$ 4 723	\$ (3 209)	(67.9)	\$ 3 659	\$ 8 043	\$ (4 384)	(54.5)
Barrels burned (000's)	49	142	(93)	(65.5)	125	253	(128)	(50.6)
Unit cost (\$ per bbl)	31.27	33.16	(1.89)	(5.7)	29.51	31.79	(2.28)	(7.2)
<u>June</u>								
Cost of oil burned (\$000's)	\$ 686	\$ 4 837	\$ (4 151)	(85.8)	\$ 1 672	\$ 8 315	\$ (6 643)	(79.9)
Barrels burned (000's)	22	142	(120)	(84.5)	57	257	(200)	(77.8)
Unit cost (\$ per bbl)	31.44	34.11	(2.67)	(7.8)	29.45	32.41	(2.96)	(9.1)
<u>July</u>								
Cost of oil burned (\$000's)	\$3 821	\$ 5 190	\$ (1 369)	(26.4)	\$ 7 901	\$ 8 908	\$ (1 007)	(11.3)
Barrels burned (000's)	117	148	(31)	(20.9)	261	270	(9)	(3.3)
Unit cost (\$ per bbl)	32.74	35.07	(2.33)	(6.6)	30.33	33.05	(2.72)	(8.2)
<u>4 Months, April - July 1980</u>								
Cost of oil burned (\$000's)	\$6 229	\$19 097	\$ (12 868)	(67.4)	\$14 422	\$34 231	\$ (19 809)	(57.9)
Barrels burned (000's)	195	568	(373)	(65.7)	484	1 067	(583)	(54.6)
Unit cost (\$ per bbl)	32.16	33.63	(1.47)	(4.4)	29.89	32.11	(2.22)	(6.9)

(1) Forecast - "3+9" budget revision

(2) Burned in peaking (combustion turbine) units, including the Gilbert combined cycle units (also includes start-up oil for nuclear and coal-fired steam units).

Exhibit No. JC-A.3(c)
Witness: L. P. Gentieu
Date: 8/18/80
Page 1 of 2

JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

Response to Public Advocate's data request made at discovery meeting held at GPU on 8/11/80:

"For the year 1980 by months, including as much actual data as is available, provide the actual and projected cost of Jersey Central's oil purchases by oil type and sulfur content."

Response:

The requested information, including actual data through July 1980, is shown on the following page.

JERSEY CENTRAL POWER & LIGHT COMPANY
Actual and Projected Cost of Oil Purchased⁽¹⁾
Year 1980

	No. 6 Oil - 0.3% Sulfur ⁽²⁾			No. 6 Oil - 1.0% Sulfur ⁽³⁾			Total No. 6 Oil		
	Cost (\$000's)	Barrels (000's)	Unit Cost (\$/bbl)	Cost (\$000's)	Barrels (000's)	Unit Cost (\$/bbl)	Cost (\$000's)	Barrels (000's)	Unit Cost (\$/bbl)
1980 Jan. (actual)	\$ 3 366	108	\$31.01	\$ 40	(2) ⁽⁴⁾	\$ -	\$ 3 406	106	\$31.94
Feb. "	1 111	35	31.82	90	0 ⁽⁴⁾	-	1 201	35	33.97
Mar. "	1 685	54	31.42	128	1 ⁽⁴⁾	-	1 813	55	32.83
Apr. "	574	19	29.81	82	(0) ⁽⁴⁾	-	656	19	34.56
May "	1 450	51	28.46	77	(0) ⁽⁴⁾	-	1 527	51	30.00
June "	650	23	28.46	1 253	50	25.31	1 903	73	26.30
July "	2 868	100	28.72	1 259	49	25.69	4 127	149	27.72
Aug. (forecast)	3 360	102	33.02	734	27	27.55	4 094	129	31.89
Sept. "	4 116	122	33.74	689	24	28.14	4 805	146	32.81
Oct. "	4 483	130	34.47	765	27	28.73	5 248	157	33.49
Nov. "	4 198	119	35.19	463	16	29.32	4 661	135	34.51
Dec. "	3 216	90	35.92	747	25	29.91	3 963	115	34.61
Year 1980	\$31 007	953	\$32.62	\$6 327	217	\$29.18	\$37 404	1 170	\$31.98

	No. 2 Oil ⁽⁵⁾			Total No. 2 and No. 6 Oil		
	Cost (\$000's)	Barrels (000's)	Unit Cost (\$/bbl)	Cost (\$000's)	Barrels (000's)	Unit Cost (\$/bbl)
1980 Jan. (actual)	\$ 3 264	110	\$29.86	\$ 6 670	216	\$30.89
Feb. "	2 983	90	33.13	4 184	125	33.37
Mar. "	2 124	62	34.50	3 937	117	33.71
Apr. "	2 381	68	35.20	3 037	87	35.06
May "	764	21	35.84 ⁽⁶⁾	2 291	72	31.72
June "	493	12	39.48 ⁽⁶⁾	2 396	85	28.24
July "	4 023	116	34.69	8 150	265	30.77
Aug. (forecast)	5 423	145	37.38	9 517	274	34.80
Sept. "	5 170	135	38.18	9 975	281	35.39
Oct. "	5 023	128	39.10	10 271	285	36.02
Nov. "	5 435	136	39.86	10 096	271	37.20
Dec. "	5 693	140	40.67	9 656	255	37.94
Year 1980	\$42 766	1 163	\$36.76	\$80 180	2 333	\$34.37

- (1) Forecast - "3+9" budget revision.
(2) Burned at Sayreville and Werner intermediate steam units.
(3) Burned at Gilbert intermediate steam units.
(4) Reflects inventory adjustments.
(5) Burned in peaking (combustion turbine) units including the Gilbert combined cycle units (also includes start-up oil for nuclear and coal-fired steam units).
(6) Reflects inventory adjustments.

Exhibit No. JC-A.4(c)
Witness: L. P. Gentieu
Date: 8/18/80
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JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

This exhibit updates Exhibit JC-A.4(b) to provide an actual versus forecast comparison of the quantities and cost of Jersey Central's gas burned in July 1980 and in the 4-month period from April through July 1980.

JERSEY CENTRAL POWER & LIGHT COMPANY
Gas Quantity and Cost Comparisons, Actual versus "3+9" Budget Revision
July, 1980 and 4 Months, April - July 1980

	Actual			Forecast			Increase, Actual Over Forecast					
	MCF	Cost	Unit Cost	MCF	Cost	Unit Cost	Amount			%		
	(000's)	(\$000's)	(\$/MCF)	(000's)	(\$000's)	(\$/MCF)	MCF	Cost	Unit Cost	MCF	Cost	Unit Cost
<u>3 Months, April - June 1980⁽¹⁾</u>												
Sayreville Steam	2 394	\$ 6 558	2.74	1 500	\$ 4 836	3.22	894	\$ 1 722	(0.48)	59.6%	35.6 %	(14.9)%
Gilbert Steam	865	3 058	3.54	750	2 589	3.45	115	469	0.09	15.3	18.1	2.6
Gilbert Combustion Turbines	73	258	3.53	717	2 475	3.45	(644)	(2 217)	0.08	(89.8)	(89.6)	2.3
Riegel Combustion Turbine	382	1 354	3.54	555	1 916	3.45	(173)	(562)	0.09	(31.1)	(29.3)	2.6
Total	3 714	\$11 228	3.02	3 522	\$11 816	3.35	192	\$ (588)	(0.33)	5.5%	(5.0)%	(9.9)%
<u>July 1980</u>												
Sayreville Steam	890	\$ 2 491	2.80	300	\$ 988	3.29	590	\$ 1 503	(0.49)	196.7%	152.1 %	(14.9)%
Gilbert Steam	328	1 216	3.71	250	880	3.52	78	336	0.19	31.2	38.2	5.4
Gilbert Combustion Turbines	74	272	3.71	250	881	3.52	(176)	(609)	0.19	(70.4)	(69.1)	5.4
Riegel Combustion Turbine	22	80	3.58	194	683	3.52	(172)	(603)	0.06	(88.7)	(88.3)	1.7
Total	1 314	\$ 4 059	3.09	994	\$ 3 432	3.45	320	\$ 627	(0.36)	32.2%	18.3 %	(10.4)%
<u>4 Months, April - July 1980</u>												
Sayreville Steam	3 284	\$ 9 049	2.76	1 800	\$ 5 824	3.24	1 484	\$ 3 225	(0.48)	82.4%	55.4 %	(14.8)%
Gilbert Steam	1 193	4 274	3.58	1 000	3 469	3.47	193	805	0.11	19.3	23.2	3.2
Gilbert Combustion Turbines	147	530	3.60	967	3 356	3.47	(820)	(2 826)	0.14	(84.8)	(84.2)	4.0
Riegel Combustion Turbine	404	1 434	3.55	749	2 599	3.47	(345)	(1 165)	0.08	(46.1)	(44.8)	2.3
Total	5 028	\$15 287	3.04	4 516	\$15 248	3.38	512	\$ 39	(0.34)	11.3%	0.3 %	(10.1)%

(1) See Exhibit JC-A.4(b) for monthly comparisons.

Exhibit No. JC-A.4(d)
Witness: L. P. Gentieu
Date: 8/18/80
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JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

This exhibit summarizes the adjusted quantities and cost of gas projected for July and August 1980, and the 12 months ended August 1981 (the LEAC period).

Also shown (on page 4) is a breakdown of the estimated savings in energy costs associated with the gas adjustments by months and generating stations.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Quantities and Cost of Gas Projected for the Period July 1980 - August 1981
 "3+9" Budget Revision as Adjusted

	Sayreville Steam (1)			Gilbert Steam (2)			Gilbert CT's (2)			Gilbert Combined Cycle (2)		
	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)
1980 July	300	\$ 988	\$3.29	250	\$ 880	\$3.52	250	\$ 881	\$3.52	-	\$ -	\$ -
Aug.	380	1 263	3.32	250	888	3.55	250	889	3.56	-	-	-
Sept.	600	\$ 2 012	\$3.35	250	\$ 896	\$3.58	236	\$ 847	\$3.59	-	\$ -	\$ -
Oct.	600	2 031	3.39	250	904	3.62	240	867	3.61	-	-	-
Nov.	600	2 049	3.42	125	456	3.65	228	831	3.64	-	-	-
Dec.	300	1 034	3.45	250	921	3.68	232	855	3.69	-	-	-
1981 Jan.	300 ⁽³⁾	1 050	3.50	86 ⁽⁴⁾	318	3.70	86 ⁽⁴⁾	318	3.70	-	-	-
Feb.	600	2 112	3.52	86	319	3.71	86	319	3.71	-	-	-
March	300	1 062	3.54	86 ⁽⁵⁾	321	3.73	86 ⁽⁵⁾	321	3.73	-	-	-
April	700	2 492	3.56	66	396	6.00	22	132	6.00	511 ⁽⁵⁾	3 066	6.00
May	700	2 506	3.58	66	396	6.00	22	132	6.00	511	3 066	6.00
June	700	2 520	3.60	67	402	6.00	22	132	6.00	511	3 066	6.00
July	700	2 534	3.62	67	402	6.00	22	132	6.00	512	3 072	6.00
Aug.	700	2 548	3.64	67	402	6.00	22	132	6.00	512	3 072	6.00
12 Months Aug. 81 (LEAC period)	6 800	\$23 950	\$3.52	1 466	\$6 133	\$4.18	1 304	\$ 5 018	\$3.85	2 557	\$15 342	\$6.00

(1) Gas supplied by New Jersey Natural Gas Co.

(2) Gas supplied by Elizabethtown Gas Co.

(3) Gas projected for period Jan. - Aug. 1981 not included in "3+9" budget revision (see Exhibit JC-A.4(a) pg. 2).

(4) Gas projected for period Jan. - March 1981 not included in "3+9" budget revision (see Exhibit JC-A.4(a), pgs. 4,5).

(5) Reflects Elizabethtown/Jersey Central Gilbert conversion agreement (not included in "3+9" budget revision; see Exhibit JC-A.4(a), pg. 6).

JERSEY CENTRAL POWER & LIGHT COMPANY
 Quantities and Cost of Gas Projected for the Period July 1980 - August 1981
 "3+9" Budget Revision as Adjusted

	Total Gilbert (1)			Reigel CT (1)			Total Gas		
	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)	MCF (000's)	Cost (\$000's)	Unit Cost (\$/MCF)
1980 July	500	\$ 1 761	\$3.52	194	\$ 683	\$3.52	994	\$ 3 432	\$3.45
Aug.	500	1 777	3.55	193	685	3.55	1 073	3 725	3.47
Sept.	486	\$ 1 743	\$3.59	183	\$ 657	\$3.59	1 269	\$ 4 412	\$3.48
Oct.	490	1 771	3.61	166	672	3.61	1 276	4 474	3.51
Nov.	353	1 287	3.65	176	644	3.66	1 129	3 980	3.53
Dec.	482	1 776	3.68	180	663	3.68	962	3 473	3.61
1981 Jan.	172	636	3.70	180 ⁽²⁾	666	3.70	652	2 352	3.61
Feb.	172	638	3.71	180	670	3.72	952	3 420	3.59
March	172	642	3.73	180	673	3.74	652	2 377	3.65
April	599	3 594	6.00	181	681	3.76	1 480	6 767	4.57
May	599	3 594	6.00	181	684	3.78	1 480	6 784	4.58
June	600	3 600	6.00	181	688	3.80	1 481	6 808	4.60
July	601	3 606	6.00	181	691	3.82	1 482	6 831	4.61
Aug.	601	3 606	6.00	181	695	3.84	1 482	6 849	4.62
7 Months Aug. 81 (iEAC Period)	5 327	\$26 493	\$4.97	2 170	\$8 054	\$3.73	14 297	\$58 527	\$4.09

(1) Gas supplied by Elizabethtown Gas Co.

(2) Gas projected for period Jan. - August 1981 not included in "3+9" budget revision (see Exhibit JC-A.4(a), pg. 3).

JERSEY CENTRAL POWER & LIGHT COMPANY
 Estimated Savings in Energy Costs Associated with Gas Adjustments ⁽¹⁾
 (\$000's)

	Sayrevill Steam ⁽²⁾	Gilbert Steam ⁽³⁾	Gilbert Combined Cycle ⁽⁴⁾	Gilbert Combustion Turbines ⁽⁵⁾	Riegel Combustion Turbine ⁽⁵⁾	Total Estimated Gas Savings	Additional Waste Heat Revenues (Riegel)	Total Savings
1980 July	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug.	-	-	-	-	-	-	-	-
Sept.	-	-	-	-	-	-	-	-
Oct.	-	-	-	-	-	-	-	-
Nov.	-	-	-	-	-	-	-	-
Dec.	-	-	-	-	-	-	-	-
1981 Jan.	801	96	-	176	589	1 662	31	1 693
Feb.	1 602	96	-	176	589	2 463	47	2 510
March	801	96	-	177	589	1 663	26	1 689
April	1 869	(29)	664	20	589	3 113	31	3 144
May	1 869	(29)	664	20	589	3 113	24	3 137
June	1 869	(29)	664	20	589	3 113	(24)	3 089
July	1 869	(29)	664	20	589	3 113	93	3 206
Aug.	1 869	(29)	664	20	589	3 113	(36)	3 077
12 Months Aug. 81 (LEAC period)	\$12 549	\$143	\$3 320	\$629	\$4 712	\$21 353	\$192	\$21 545

- (1) See Exhibit JC-A.4(a) for derivation of savings estimates.
 (2) Normally burns 0.3% Sulfur No. 6 Oil.
 (3) Normally burns 1.0% Sulfur No. 6 Oil.
 (4) Currently burns only No. 2 Oil, will burn either gas or oil following conversion.
 (5) Burns either gas or No. 2 Oil.

Exhibit No. JC-C.1
Witness: L. P. Gentieu
Date: 8/18/80
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JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

This exhibit corrects a minor error on page 2 of Exhibit JC-C that affected the determination of the overall % increase in total charges to retail customers that would result if the LEAC increase were granted in full. After correction of the error, the overall increase is 8.6%, rather than the 8.5% originally calculated.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Increase in Charges to Retail Customers
if Requested LEAC Increase is Granted in Full

Normalized retail base rate revenues allowed in NJ BPU Docket No. 804-285 (Interim Order dated 5/13/80, Attachment A; includes TMI-2 and Pa. Gross Receipts Tax credits)	\$644.9* million
Normalized retail sales on which revenue allowance was based (test year ended December 31, 1980)	12 709 Gwh
Average retail base rate revenue allowed per Kwh of sales, effective 5/15/80 ($\$644.9 \div 12\ 709$)	50.744 mills/Kwh
Plus: Total LEAC in effect prior to requested LEAC increase (last LEAC increase effective 4/8/80)	<u>21.928</u>
Total average annualized charges to retail customers prior to requested LEAC increase	72.672 mills/Kwh
Requested increase in total LEAC	6.264 mills/Kwh
% Increase in total charges to retail customers ($6.264 \div 72.672$)	<u>8.6%</u>
Annualized increase in retail revenues, 12 months ended August 1981 (LEAC period), based on projected retail sales of 12 424 Gwh:	

	<u>Mills/Kwh</u>	<u>\$Millions</u>
For energy costs	5.517	\$ 68.5
For revenue taxes	<u>0.747</u>	<u>9.3</u>
Total	<u>6.264</u>	\$ <u>77.8</u>

* Was \$655.0 million on original page 2 of Exhibit JC-C (included base revenues from resale (FERC jurisdictional) customers in error; see Exhibit JC-201, Schedule 1, NJ BPU Docket No. 804-285).

Exhibit No. JC-D.1
Witness: L. P. Gentieu
Date: 8/18/80
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JERSEY CENTRAL POWER & LIGHT COMPANY
NJ BPU Docket No. 807-488
LEAC Increase Request Filed 7/21/80

This exhibit provides an actual versus forecast comparison of Jersey Central's deferred energy cost balance as of July 31, 1980. As shown on page 2, Jersey Central's actual balance of deferred energy costs as of the end of July was about \$12 million higher than forecast. The "current clause" component of the deferred energy cost balances projected on pages 2 and 3 of Exhibit JC-D should accordingly be increased by this amount in July 1980 and subsequent months.

JERSEY CENTRAL POWER & LIGHT COMPANY
 Deferred Energy Cost Comparison, Actual versus Forecast
 July 1980

	<u>Actual</u>	<u>Forecast</u>	<u>Increase, Actual Over Forecast</u>
Retail revenue per Kwh for energy costs (LEAC and base rates)	33.3 mills	33.3 mills	-
Energy costs per Kwh	<u>39.9</u> ⁽¹⁾	<u>28.7</u> ⁽²⁾	<u>11.2</u>
Over/(under) recovery per Kwh (revenue per Kwh less costs per Kwh)	(6.6) mills	4.6 mills	(11.2) mills
Retail sales (Gwh)	1 056	1 019	37
Over/(under) recovery (\$ millions)	\$(6.9)	\$ 4.7	\$(11.6)
Balance of retail energy costs deferred as of 7/31/80 (excluding \$45.4 million recoverable by retail base rates; \$ millions)	<u>\$95.8</u>	<u>\$84.2</u>	<u>\$ 11.6</u>

(1) Exhibit JC-A.1(a), pg. 6.

(2) Exhibit JC-A, pg. 3.