JCP&L Base Rate Case Filing

Filed 8/6/26 (Docket Number: ER26080420)

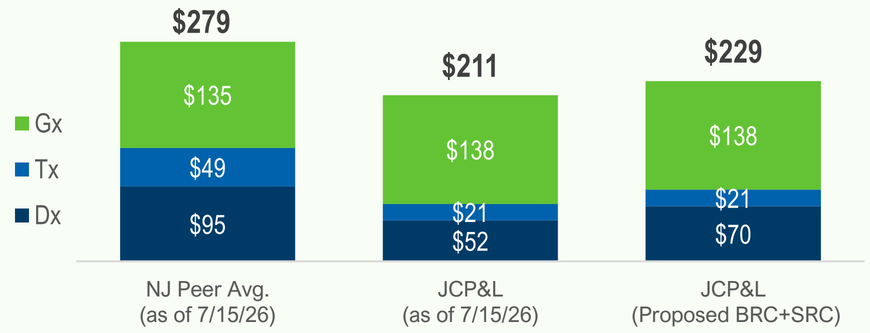
Key Statistics		
	Current	**Filed**
Distribution Rate Base	$3.0B	$3.9B
Return on Equity	9.6%	10.2%
Cap Structure (Debt / Equity)	48% / 52%	47% / 53%
Test Year (12 months ended)	June 2023	June 2026

Net Revenue Increase: $253M[(1)]

Proposed no rate impact until January 1, 2028

Commitment to Affordability

Average Residential Bills (1,000 kWh usage)



Proposed JCP&L rates ~18% below peer average

Filing Summary

JCP&L is making investments to improve reliability, strengthen the electric grid, and enhance the customer experience. The proposed rate adjustments support investments while maintaining a focus on affordability.

To help mitigate near-term customer bill impacts, JCP&L is proposing rate offsets that, if approved, could fully offset the proposed revenue increase in 2027.

Key Components

- Reflects rate base growth of ~$1B since 2023 from grid modernization and reliability investments
  - AMI deployment complete with recovery requested for advanced metering investments
- Strong cost discipline with O&M expenses essentially flat compared to the last rate case
- Proposed a dedicated Storm Recovery Charge Rider (Rider SRC) to recover ~$476M of previously deferred storm costs over 10-year period beginning 1/1/28
- Enhanced storm response funding through increased annual recovery of storm-related costs
- Expanded vegetation management to mitigate wildfire risk and remove off-corridor hazard trees
- Time-of-Use rate proposal aligned with Executive Order 2 and virtual power plant objectives
- Distribution base rate increase effective 5/6/27 and Rider SRC effective 1/1/28
- Proposed a 100% revenue offset to the distribution base increase from 5/6/27 to 12/31/27, through Rider TXA, which accelerates federal repair tax deductions and refunds of an over-collection of a regulatory obligation

(1) Excludes the proposed Storm Recovery Charge Rider increase of $57.4M

FirstEnergy