No. 28 BASIC GENERATION SERVICE (“BGS”): (Continued)

(D) BGS RECONCILIATION CHARGES

Separate BGS-FP and BGS-CIEP reconciliation charges shall be computed monthly and assessed on all BGS-FP and BGS-CIEP customers. The reconciliation charges shall recover the differences, including interest, between amounts paid to BGS suppliers and BGS revenue for the preceding months for the applicable BGS supply. Interest will be calculated as determined by the Board in its Order dated February 6, 2009 in Docket Number ER08050310. These charges include all applicable taxes and are charged on a monthly basis for all usage billed in the month indicated.

BGS-FP Reconciliation Charge .................................................. (1.175) ¢/kWh
BGS-CIEP Reconciliation Charge ............................................. 0.396 ¢/kWh

In accordance with Rider SUT, the above charges include provision for the New Jersey Sales and Use Tax. When billed to customers exempt from this tax, as set forth in Rider SUT, such charges will be reduced by the relevant amount of such tax included therein.