

A. DISCLAIMER

The information and these materials (the “January Bidder Information Packet”) distributed to Registered Bidders and related to the statewide Auction Process for New Jersey Basic Generation Service (“BGS”) Load (the “Auction Materials”) have been prepared by the New Jersey Electric Distribution Companies (“EDCs”)¹ and their group of advisors based on their joint Proposal for Basic Generation Service Requirements To Be Procured Effective June 1, 2018 (I/M/O The Provision of Basic Generation Service for the Period Beginning June 1, 2018, Docket No. ER17040335) and each EDC’s Company Specific Addendum, submitted to the New Jersey Board of Public Utilities (“Board” or “BPU”) on June 30, 2017, the Board’s decisions and Orders in this proceeding and the compliance filing submitted by December 4, 2017 to the Board by the EDCs in Docket No. ER17040335.

These Auction Materials are subject to modification and amendment, which may be announced or posted on the [BGS Auction website](#).² However, as more fully explained below, the BGS Auction website is not the exclusive source of information that may be relevant to a recipient’s decision to participate in the Auction Process or that may be relevant to the level of such participation.

The Auction Materials are prepared and distributed for the sole purpose of providing general information about the BGS Auctions in order to assist potential participants in determining whether they should undertake further investigation and consideration of participation in the Auction Process.

Each recipient agrees that it will use the Auction Materials for the sole purpose of assisting in the evaluation of the Auction Process. The Auction Materials are not intended to form any part of the basis of any investment decision or valuation by a recipient or any other party. Furthermore, the Auction Materials are not a recommendation by the EDCs, the BPU, or their advisors to any recipient to participate in the Auction Process, and must not be considered as such.

By accepting the Auction Materials, each recipient acknowledges that: (i) before participating in the Auction Process, the recipient will make its own independent assessment of the potential value of supplying any part of BGS Load after making all investigations it deems necessary or advisable in its sole discretion; (ii) the information supplied in the webcasts, or as may be disseminated by the EDCs or their advisors on the

¹ The EDCs are Public Service Electric and Gas Company (“PSE&G”), Jersey Central Power & Light Company (“JCP&L”), Atlantic City Electric Company (“ACE”), and Rockland Electric Company (“RECO”).

² <http://www.bgs-auction.com>

BGS Auction website or otherwise, is not intended to be and does not purport to constitute a sufficient basis for the recipient to determine whether to participate in the Auction Process or the terms and extent of any such participation; and (iii) the EDCs, the BPU, and their advisors will not be responsible for identifying, evaluating, or bringing to the attention of the recipient information that may bear on the cost or value of supplying any part of BGS Load.

Any statements herein describing or referring to documents and agreements are summaries only and are qualified in their entirety by reference to such documents and agreements. The Auction Materials should not be considered to be or to express the terms of a contract of any kind between the EDCs or their advisors and the recipient(s). Likewise, recipients must not consider the Auction Materials as any form of guaranty. Recipients should not construe the Auction Materials as legal, business, or tax advice. Before deciding on its participation or the level of such participation, each recipient should consult with its legal, economic, technical, and financial advisors.

Delivery of the Auction Materials will not create any implication that there has not been, since the date hereof, a change with respect to the facts or circumstances herein described, or that the information is correct as of any time subsequent to the date hereof. None of the EDCs, the BPU, or their advisors assumes any obligation to revise, update or supplement any matter herein described to reflect changes, events or conditions, which occur subsequent to the date hereof. Each recipient is solely and independently responsible for keeping itself informed of any changes to the Auction Materials, as well as potential changes to the facts, circumstances and matters described herein, and for determining what other sources of information to consult when deciding whether to participate in the Auction Process or that may be relevant to the level of such participation.