

# ATTACHMENT 1

**RIDER (BGS)****Basic Generation Service (BGS)**

Basic Generation Service (BGS) will be arranged for any customer taking service under Electric Rate Schedules RS, MGS Secondary, MGS Primary, AGS Secondary, AGS Primary, TGS, DDC, SPL, and CSL who has not notified the Company of an Alternative Electric Supplier choice. BGS is also available to customers whose arrangements with Alternative Electric Suppliers have terminated for any reason, including nonpayment.

BGS is offered under two different terms of service; Basic Generation Service - Fixed Price (BGS-FP) and Basic Generation Service -Commercial and Industrial Energy Pricing (BGS-CIEP). BGS-FP is offered to customers on Rate Schedules RS, DDC, SPL and CSL. BGS-FP is also offered to customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary, AGS Primary with an annual peak load share ("PLS") for generation capacity of less than 1,000 kW as of November 1 or each year. Additionally, BGS customers on Rate Schedule RS have the option of taking BGS-FP on a time of use basis.

BGS Customers on Rate Schedule TGS and BGS customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary or AGS Primary with a PLS for generation capacity equal to or greater than 1,000 kW as of November 1 of each year are required to take service under BGS-CIEP.

Effective June 1, 2008, each BGS-FP eligible customer with a peak load share of 500 kW or greater, that receives electric generation service from an Alternative Electric Supplier and subsequently returns to BGS-FP default service during that same supply year, must remain a Full Service Customer for 12 months under Rider BGS-FP, unless such customer begins receiving service from a new Alternative Electric Supplier within a "grace period" of 30 days after such customer's return to BGS-FP default service, or until the next June 1 if such customer is required or elects to take default service under Rider BGS-CIEP on that June 1.

Customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary or AGS Primary with a PLS of less than 1,000 kW, have the option of taking either BGS-FP or BGS-CIEP service. Customers who elect BGS-CIEP must notify the Company of their selection no later than the second working day of January of the year they wish to begin BGS-CIEP service. Such election will be effective on June 1 of that year and remain as the customer's default supply for the following twelve months. Customers electing BGS-CIEP as their default supply in a prior procurement period and who are otherwise eligible to return to BGS-FP may return to BGS FP by notifying the Company no later than the second working day of January of the year that they wish to return to BGS-FP service. Such election shall be effective on June 1 of that year.

**BGS-FP Supply Charges (\$/kWh):**

Rate Schedule	SUMMER	WINTER
	June Through September	October Through May
RS		\$x.xxxxxx
<=750 kwhs summer	\$x.xxxxxx	
> 750 kwh summer	\$x.xxxxxx	
RS TOU BGS Option		
On Peak (See Note 1)	\$x.xxxxxx	\$x.xxxxxx
Off Peak (See Note 1)	\$x.xxxxxx	\$x.xxxxxx
MGS-Secondary	\$x.xxxxxx	\$x.xxxxxx
MGS-Primary	\$x.xxxxxx	\$x.xxxxxx
AGS-Secondary	\$x.xxxxxx	\$x.xxxxxx
AGS-Primary	\$x.xxxxxx	\$x.xxxxxx
DDC	\$x.xxxxxx	\$x.xxxxxx
SPL/CSL	\$x.xxxxxx	\$x.xxxxxx

Note 1: On Peak hours are considered to be 8:00 AM to 8:00 PM, Monday through Friday.

The above Basic Generation Service Energy Charges reflect costs for Energy, Generation Capacity, Ancillary Services and Administrative Charges pursuant to N.J.S.A. 48:2-60 plus New Jersey Sales and Use Tax as set forth in Rider SUT.

**Date of Issue:****Effective Date:****Issued by:**

**RIDER (BGS) continued**

**Basic Generation Service (BGS)**

**BGS Reconciliation Charge (\$/kWh):**

The above charge shall recover the difference between the monthly amount paid to Basic Generation Service (BGS) suppliers and the total revenue from customers for BGS for the preceding months for the applicable BGS supply. These charges include New Jersey Sales and Use Tax as set forth in Rider SUT and are changed on June 1 and October 1 of each year.

Rate Schedule	Charge(\$ per kWh)
RS	\$x.xxxxxx
MGS Secondary, AGS Secondary, SPL/CSL, DDC	\$x.xxxxxx
MGS Primary, AGS Primary	\$x.xxxxxx

**BGS-CIEP**

**Energy Charges**

BGS Energy Charges for Rate Schedule TGS, AGS and MGS customers with a Peak Load Share (PLS) of 1,000 kW or more, and AGS and MGS customers with a PLS of less than 1,000 kW who have elected BGS-CIEP are hourly and are provided at the real time PJM Load Weighted Average Locational Marginal Prices for the Atlantic Electric Transmission Zone, adjusted for losses, plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT.

**Generation Capacity Obligation Charge**

	Summer	Winter
Charge per kilowatt of Generation Obligation (\$ per kW per day)	\$x.xxxxxx	\$x.xxxxxx

This charge is equal to the winning bid price from the BGS-CIEP default service auction plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. The above charge shall be applied to each Customer's annual peak load share ("PLS") for generation capacity, adjusted for the applicable PJM-determined Zonal Scaling Factor and the applicable PJM-determined capacity reserve margin factor, on a daily basis for each day in each customer's respective billing cycle.

**Ancillary Service Charge**

	Charge (\$ per kWh)
Service taken at Secondary Voltage	\$x.xxxxxx
Service taken at Primary Voltage	\$x.xxxxxx
Service taken at Sub-Transmission Voltage	\$x.xxxxxx
Service taken at Transmission Voltage	\$x.xxxxxx

This charge represents the average annual cost of Ancillary Services in the Atlantic Electric Transmission zone adjusted for losses, plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT.

**BGS Reconciliation Charge:**

	Charge (\$ per kWh)
Service taken at Secondary Voltage	\$x.xxxxxx
Service taken at Primary Voltage	\$x.xxxxxx
Service taken at Sub-Transmission Voltage	\$x.xxxxxx
Service taken at Transmission Voltage	\$x.xxxxxx

The above charge shall recover the difference between the monthly amount paid to Basic Generation Service (BGS) suppliers and the total revenue from customers for BGS for the preceding months for the applicable BGS supply. These charges include administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT and are changed on June 1 and October 1 of each year.

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**RIDER (BGS) continued**

**Basic Generation Service (BGS)**

**CIEP Standby Fee** \$x.xxxxxx per kWh

This charge recovers the costs associated with the winning BGS-CIEP bidders maintaining the availability of the hourly priced default electric supply service plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all CIEP- eligible customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary, AGS Primary or TGS.

**System Control Charge (SCC)** \$x.xxxxxx per kWh

This charge provides for recovery of appliance cycling load management costs. This charge includes administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all electric customers.

**Retail Margin** \$x.xxxxxx per kWh

This charge is applicable to all customers taking service under BGS CIEP and those BGS-FP customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary or AGS Primary whose annual PLS for generation capacity is equal to or greater than 750 kW as of November 1 of each year. This charge includes administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT

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