

**BGSS-I
BASIC GAS SUPPLY SERVICE-INTERRUPTIBLE
COMMODITY CHARGE APPLICABLE TO RATE SCHEDULE TSG-NF
(Per Therm)**

COMMODITY CHARGE:	Commodity Charge	100.3334 ¢
	Commodity Charge including New Jersey Sales and Use Tax (SUT).....	<u>107.3567 ¢</u>
FLOOR PRICE:	50% of the Non-Gulf Coast Cost of Gas component.....	5.7413 ¢
	Variable Cost of Commodity and Fuel	6.4353 ¢
	Cost of Gas Acquired to serve BGSS-I for the month	<u>83.1800 ¢</u>
	Total Cost of Gas	95.3566 ¢
	Floor Price after application of losses (Loss Factor =0.5%)	95.8334 ¢
CEILING PRICE:	Floor Price plus 18 ¢	113.8334 ¢

A market based charge including all applicable taxes to be posted by Public Service on a monthly basis. Customer specific contracts may be negotiated. In the absence of a specifically negotiated contract (which charge shall be filed with the Board for information purposes) the above Commodity Charge will be applicable. The foregoing Commodity Charge will be subject to a floor price equal to the sum of 50% of the Non-Gulf Coast Cost of Gas component and the Cost of Gas Acquired for these customers. Additionally, this Commodity Charge will not exceed a Ceiling Price equal to the Floor Price plus 18 cents per therm.

The Cost of Gas Acquired will be established prior to the beginning of each month based on the NYMEX closing price for the following month.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

B.P.U.N.J. No. 14 GAS

Original Sheet No. 50

**BGSS-I
BASIC GAS SUPPLY SERVICE-INTERRUPTIBLE
COMMODITY CHARGE APPLICABLE TO RATE SCHEDULE TSG-NF
(Per Therm)**

COMMODITY CHARGE:	Commodity Charge	87.4533 ¢
	Commodity Charge including New Jersey Sales and Use Tax (SUT).....	<u>93.5750 ¢</u>
FLOOR PRICE:	50% of the Non-Gulf Coast Cost of Gas component.....	5.7413 ¢
	Variable Cost of Commodity and Fuel	5.3572 ¢
	Cost of Gas Acquired to serve BGSS-I for the month	<u>71.4421 ¢</u>
	Total Cost of Gas	82.5406 ¢
	Floor Price after application of losses (Loss Factor =0.5%)	82.9533 ¢
CEILING PRICE:	Floor Price plus 18 ¢	100.9533 ¢

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The Cost of Gas Acquired will be established prior to the beginning of each month based on the NYMEX closing price for the following month.

Date of Issue: December 6, 2006 Effective: November 9, 2006
Issued by FRANCIS E. DELANY, Jr., Vice President and Corporate Rate Counsel
80 Park Plaza, Newark, New Jersey 07102
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