

COMMODITY CHARGE

APPLICABLE TO INTERRUPTIBLE SCHEDULE ISG

Applicable to Usage each Month:
the first in excess of
1,000 therms 50,000 therms

PARITY PRICING COMMODITY CHARGE:

Per therm of gas used for customers with alternate fuel oil capability of:

No. 2 oil.....	<u>46.5200 ¢</u>	<u>46.5200 ¢</u>
No. 4 oil.....	<u>43.3800 ¢</u>	<u>43.3800 ¢</u>
0.3% Sulfur No. 6 oil.....	<u>39.6400 ¢</u>	<u>39.6400 ¢</u>
Higher than 1.5% Sulfur No. 6 oil.....	<u>44.2400 ¢</u>	<u>44.2400 ¢</u>

(Based upon the lower of the Marketability Price of Alternate Fuel or the Ceiling Price; price not to fall below the ISG Floor Price.)

NOMINATED THERMS COMMODITY CHARGE:

Calculated as the Adjusted Average Commodity Cost plus a net margin per therm of gas used for customers with alternate fuel oil capability of:

No. 2 oil at 8.5¢ per block.....	<u>41.7855 ¢</u>	<u>41.7855 ¢</u>
No. 4 oil at 6.5¢ per block.....	<u>39.7855 ¢</u>	<u>39.7855 ¢</u>
No. 6 oil at 3.6¢ per block.....	<u>36.8855 ¢</u>	<u>36.8855 ¢</u>

EXCESS NOMINATED THERMS COMMODITY CHARGE:

For Annual Usage in excess of no more than 10% of the Nominated Annual level of therms, calculated as the Adjusted Average Commodity Cost plus a net margin per therm of gas used for customers with alternate fuel oil capability of:

No. 2 oil at 13¢ per block.....	<u>46.2855 ¢</u>	<u>46.2855 ¢</u>
No. 4 oil at 10¢ per block.....	<u>43.2855 ¢</u>	<u>43.2855 ¢</u>
No. 6 oil at 6.1¢ per block.....	<u>39.3855 ¢</u>	<u>39.3855 ¢</u>

MARKETABILITY PRICE OF ALTERNATE FUEL:

No. 2 oil.....	46.5200 ¢	46.5200 ¢
No. 4 oil.....	43.3800 ¢	43.3800 ¢
0.3% Sulfur No. 6 oil.....	39.6400 ¢	39.6400 ¢
Higher than 1.5% Sulfur No. 6 oil.....	44.2400 ¢	44.2400 ¢

ADJUSTED AVERAGE COMMODITY COST:

Estimated Average Commodity Cost per therm of gas received in the month of January 2002 31.1800 ¢

ADJUSTED FOR:

Losses at 1.5 percent.....	31.6548 ¢
Transitional Energy Facility Assessment Unit tax at 1.2957 cents..	32.9505 ¢
Manufactured Gas Plant Remediation recovery costs at 0.3350 cents..	<u>33.2855 ¢</u>

Date of Issue: **December 31, 2001**

Effective: **January 1, 2002**

Issued by FRANCIS E. DELANY, JR., Vice President and Corporate Rate Counsel
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