Mark-to-Market for BGS-RSCP Contracts

MtM Exposure Amount Calculation Information:

Table 1 contains the illustrative marks[1] for each month of the BGS-RSCP Auction period. Monthly marks are provided for June 2026 through May 2029. For the months, two-month blocks,[2] or quarterly blocks[2] where broker[3] quotes are available, broker quotes will be used for those months. For all the remaining months the EDCs will use a proprietary method that reflects forward market conditions.

The method described above will be employed from January 26, 2026 through February 04, 2026. From February 05, 2026 through the day of the close of the BGS-RSCP Auction, only the months for which a monthly, a two-month block or a quarterly block quote is available will be updated. The mark for each Billing Month is the mark that was calculated on the date that the BGS-RSCP Auction closes and will not change over the life of the contract. After the close of the BGS-RSCP Auction Forward Market Prices will change. In addition, the on-peak and off-peak loads used to calculate the MtM Exposure Amount will be adjusted periodically to reflect the most current information.

Forward Market Prices for the months, two-month blocks or quarterly blocks where broker quotes are available will be equal to the broker quotes. In case quotes for a component of a block and for the block are both available, the EDCs reserve the right not to use both the component of a block and the block if they are inconsistent with each other. However, when this inconsistency occurs the EDC must use either the component or the block. Forward Market Prices for the months, two-month blocks or quarterly blocks where broker quotes are unavailable will be equal to the last available broker quotes or in case they have not been quoted on the broker sheets since the BGS-RSCP Auction closed, they will be equal to the marks set at the close of the BGS-RSCP Auction.

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[1] Illustrative marks represent PJM Western Hub on-peak prices.

[2] For two-month and quarterly blocks for which the average for the block and a component of the block are both quoted, the component will be equal to its quoted price and the other months in the block will be constructed so that the weighted average (weighted by on-peak hours in each month) of the block equals the quote for the block; e.g., Q4 2026 = $50 and Oct 2026 = $40; therefore, Oct 2026 = $40 and Nov-Dec 2026 = ($50*(352+320+352)-$40*352)/(320+352)=$55.24. If only the block is quoted, that price will be used for all relevant months; e.g., Jan/Feb 2027 = $35, then Jan 2027 = $35 and Feb 2027 = $35.

[3] The term broker as used in the BGS-RSCP Supplier Master Agreement encompasses both independent brokers or exchanges active in the energy market.

As indicated in Appendix B, on the day the Auction closes parameters will also be set for:

- The monthly on-peak load per tranche for each EDC (see Table 2)
- The monthly off-peak load per tranche for each EDC (see Table 2)
- The ratio between historical off-peak and on-peak energy prices (see Table 3)

The values provided in Table 2 and Table 3 are those that the EDCs intend to use for Appendix B when signing the contract. The EDCs do not anticipate any changes to Table 2 or Table 3 between now and the day the Auction closes.

Illustrative Marks for January 16, 2026

TABLE 1	
Illustrative Initial Marks ($/MWh)	
Jun-26	58.93
Jul-26	84.40
Aug-26	75.43
Sep-26	57.03
Oct-26	55.95
Nov-26	57.90
Dec-26	66.10
Jan-27	87.45
Feb-27	74.73
Mar-27	53.45
Apr-27	52.55
May-27	54.57
Jun-27	61.60
Jul-27	93.62
Aug-27	75.23
Sep-27	59.31
Oct-27	57.91
Nov-27	59.19
Dec-27	69.11
Jan-28	88.06
Feb-28	78.86
Mar-28	55.37
Apr-28	51.87
May-28	52.77
Jun-28	60.09
Jul-28	89.48
Aug-28	78.47
Sep-28	57.19
Oct-28	55.55
Nov-28	58.32
Dec-28	69.62
Jan-29	87.35
Feb-29	80.57
Mar-29	54.15
Apr-29	53.05
May-29	54.95

Monthly Loads per Tranche

The monthly on-peak and off-peak loads per tranche are used when calculating the MtM.
These loads are based on historical numbers and are subject to change by the EDCs.

	PSE&G		JCP&L		ACE		RECO	
TABLE 2								
Monthly Volumes (MWh)								
	On-peak	Off-peak	On-peak	Off-peak	On-peak	Off-peak	On-peak	Off-peak
Jun-26	14,218	12,172	11,380	9,867	12,701	10,819	10,653	8,275
Jul-26	18,832	15,600	14,663	13,599	17,883	15,389	16,648	11,772
Aug-26	15,426	15,571	14,511	11,850	11,633	11,706	11,526	11,088
Sep-26	11,548	10,130	10,496	9,183	8,734	8,870	10,481	9,174
Oct-26	9,221	8,875	7,953	7,251	6,747	6,882	7,514	6,791
Nov-26	9,134	9,240	8,219	8,319	6,715	7,627	7,196	7,530
Dec-26	12,335	11,041	10,362	9,902	9,430	9,835	8,955	8,614
Jan-27	11,926	12,943	10,768	10,840	10,224	11,895	7,707	8,571
Feb-27	10,501	10,383	9,301	8,861	8,480	8,824	7,350	7,109
Mar-27	10,831	9,985	9,448	8,286	7,174	7,331	8,045	7,048
Apr-27	9,400	8,749	7,831	6,752	6,226	6,777	7,514	6,542
May-27	9,793	10,270	8,169	8,247	6,499	7,856	7,424	8,137
Jun-27	14,325	12,263	11,496	9,984	12,701	10,819	10,653	8,275
Jul-27	18,344	16,721	14,844	13,784	17,070	16,017	15,924	12,273
Aug-27	16,453	15,105	14,687	12,002	12,187	11,247	12,074	10,653
Sep-27	11,734	10,294	10,608	9,300	8,734	8,870	10,481	9,174
Oct-27	9,120	9,630	8,002	7,315	6,440	7,163	7,172	7,068
Nov-27	9,738	8,957	8,279	8,404	7,051	7,322	7,916	6,928
Dec-27	12,550	11,234	10,461	10,014	9,430	9,835	9,363	8,263
Jan-28	12,263	13,308	10,876	10,969	10,735	11,446	8,093	8,247
Feb-28	11,392	10,956	9,679	9,231	8,904	9,024	7,718	7,270
Mar-28	11,172	10,299	9,696	8,529	7,174	7,331	8,045	7,048
Apr-28	8,633	9,702	8,149	7,053	5,660	7,367	6,831	7,111
May-28	10,716	9,329	8,336	8,465	7,474	6,966	8,167	7,523
Jun-28	14,732	12,611	11,813	10,288	12,701	10,819	10,653	8,275
Jul-28	17,875	17,919	14,740	13,701	17,070	16,017	14,476	13,275
Aug-28	17,564	14,660	14,619	11,954	12,741	10,788	12,623	10,218
Sep-28	11,305	10,927	10,666	9,358	8,734	8,870	9,982	9,557
Oct-28	9,782	9,414	8,342	7,654	6,747	6,882	7,514	6,791
Nov-28	9,799	9,013	8,504	8,650	7,387	7,017	7,556	7,229
Dec-28	11,859	12,756	10,660	10,216	9,001	10,236	8,141	9,318
Jan-29	13,507	12,209	11,266	11,378	11,757	10,548	8,478	7,924
Feb-29	10,870	10,748	9,714	9,288	8,480	8,824	7,350	7,109
Mar-29	10,785	10,884	9,853	8,669	6,862	7,643	7,695	7,347
Apr-29	9,150	9,358	8,143	7,052	5,943	7,072	7,172	6,826
May-29	10,969	9,549	8,511	8,628	7,474	6,966	8,538	7,216

Ratio of Off-Peak to On-Peak Prices

The monthly ratios of off-peak to on-peak prices in the PJM Western Hub are used in calculating the MtM.

TABLE 3	
PJM Western Hub Ratio of Off-Peak to On-Peak Prices	
January	0.9028
February	0.8507
March	0.8770
April	0.8062
May	0.6631
June	0.5293
July	0.5654
August	0.6424
September	0.6583
October	0.7119
November	0.7668
December	0.8984