

PSC NO: 1 GAS LEAF: 73.4
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 01/31/17 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with Order in C.16-G-0058 dated December 16, 2016

GENERAL INFORMATION

J. Adjustment to Merchant Function Charge Annual Imbalance Surcharge or Refund Factors

An adjustment to the various Merchant Function Charge Annual Imbalance Surcharge or Refund factors will be implemented, as required, each March 1st for the remainder of the calendar year. .

The adjustment will include an adjustment for principal and interest estimated to be recovered under the currently effective rate during January and February of the current year.

The Company will file its calculation of the updated Merchant Function Charge Annual Imbalance Surcharge or Refund factors with the Commission on or before each February 15th as required. These factors will be set forth on the Statement of of Monthly Cost of Gas and Adjustments not less than two business days prior to March 1st.

K. Monthly Transportation Adjustment Charges

1. Rates for transportation customers taking service under SC 5 will be adjusted monthly to include the following charges and credits:

- a. Return Requirement On Gas In Storage calculated in accordance with Rule III.F
- b. Annual Return Requirement on Gas in Storage Surcharge or Refund calculated in accordance with Rule III. I.
- c. Research & Development Charge pursuant to Rule III.L
- d. Pipeline Refunds Provision
- e. Delivery Penalty Refunds
- f. Annual Transportation Adjustment Imbalance Surcharge or Refund calculated in accordance with Rule III.K.2
- g. System Performance Adjustment Surcharge or Refund calculated in accordance with Rule III.1.A.
- h. Brooklyn Navy Yard Cogeneration Surcharge or Refund in accordance with Rule III.1.C.4.b.3

These charges and credits will be set forth on the Statement of Transportation Adjustment Charges and filed with the Commission not less than two business days prior to the effective date.

Issued by: David B. Doxsee, Vice President, Hicksville, NY