PSC NO: 12 GASLEAF: 79.8COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 4INITIAL EFFECTIVE DATE: 01/01/17SUPERSEDING REVISION: 2STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

GENERAL INFORMATION - Continued

- 1. Total Actual Fixed Cost of Gas =
 - a) Actual suppliers, transporters and storage providers fixed rates and charges, **PLUS**
 - b) Any other fixed charges for the Gas Cost Year,

Total Actual Fixed Cost of Gas with Credits = (a) + (b)

- 2. Total Actual Commodity Costs
 - a) Actual Commodity Cost of Flowing Gas **PLUS**
 - b) Actual Commodity Cost of gas withdrawn from storage or LNG vaporized, **PLUS**
 - c) All other actual allowable fees and charges associated with purchase of gas.

Total Actual Commodity Cost of Gas = (a) + (b) + (c)

- 3. Total Actual Hedging Costs / Credits
- 4. Total Actual Gas Credits =
 - a) Actual Off-System Revenue Credits, **PLUS**
 - b) Actual Marketer Capacity Program Credits **PLUS**
 - c) Actual Non-Core Swing Service and Daily Balancing Service Demand Charge Credits

Total Actual Gas Credits = (a) + (b) + (c)

5. Total Actual Gas Costs = (1) + (2) + (3) - (4)

Issued by: Kenneth D. Daly, President, Brooklyn, New York