

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

LEAF: 79.6
 REVISION: 3
 SUPERSEDING REVISION: 1

GENERAL INFORMATION - Continued

5. The Return Requirement on Gas in Storage Unitized Charge per therm shall be computed by dividing the Allocated Return Requirement on Gas in Storage computed in step (4) for the Gas Cost Year, by the sum of (a) estimated sales for customers served under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7 and 21 and (b) estimated transportation for customers served under Service Classifications Nos. 17-1A, 17-1AR, 17-1B, 17-1BI, 17-1BR, 17-2, 17-3, 17-4A, 17-4A-CNG, 17-4B, 17-7 and 17-21 for the corresponding time period.
- F. The Merchant Function Unitized Charge per therm will be set forth on the Statement of Monthly Cost of Gas and Adjustments = A + B + C + D + E

34.1 System Performance Adjustment (SPA) Mechanism

Effective January 1, 2015, a SPA per therm rate will be applicable to the Company's sales customers served under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B 7 and 21 and to transportation customers served under Service Classification No. 17. The SPA rate will be a credit if actual system LAUF is less than the LAUF Target or a surcharge if actual system LAUF exceeds the LAUF Target during the previous 12-month period ending August 31st

- A. The Total SPA Amount will be determined initially for the 12-month period ending August 31, 2014 and each subsequent 12-month period ending August 31st thereafter by multiplying: (1) the actual average commodity cost of gas by; (2) the metered sales of SC Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7 and 21 sales customers and SC No. 17 transportation customers by; (3) the percentage difference determined by:
1. Subtracting the LAUF Target from actual system LAUF if actual system LAUF is within the LAUF Dead Band Upper Limit and LAUF Dead Band Lower Limit.
 2. Subtracting the LAUF Target from the LAUF Dead Band Upper Limit if actual system LAUF exceeds the LAUF Dead Band Upper Limit.
 3. Subtracting the LAUF Target from the LAUF Dead Band Lower Limit if actual system LAUF is less than the LAUF Dead Band Lower Limit.

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