PSC NO: 12 GASLEAF: 76.1COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 3INITIAL EFFECTIVE DATE: 01/01/17SUPERSEDING REVISION: 1STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

GENERAL INFORMATION - Continued

4) Combined Year Round Space Conditioning Sales Class

Multiply the System Average Fixed Gas Cost determined in Rule 33.B.3.b by the annual percentage allocation that will be determined each GAC year. The annual percentage allocation will be included on the Statement of Monthly Cost of Gas and Adjustments.

5) Combined SC 7 Sales Class

Multiply the System Average Fixed Gas Cost determined in Rule 33.B.3.b by the annual percentage allocation that will be determined each GAC year. The annual percentage allocation will be included on the Statement of Monthly Cost of Gas and Adjustments.

6) Combined TC Sales Class

Multiply the System Average Fixed Gas Cost determined in Rule 33.B.3.b by the annual percentage allocation that will be determined each GAC year. The annual percentage allocation will be included on the Statement of Temperature Controlled Sales Service.

7) ESCOs participating in the Company's Mandatory Capacity Program pursuant to SC 19 and KEDLI's Mandatory Capacity Program pursuant to SC 8

The price of the capacity provided to ESCOs under the Mandatory Capacity Program is set forth on the Statement of Seller Charges and Adjustments as described in SC 19, Section E.7.

4. Average Fixed Cost Credits

- a) In advance of each Gas Cost Year, and updated during the year if appropriate, the Company will estimate Annual Fixed Cost Credits for the following categories:
 - 1) Non-Core Swing Service and Daily Balancing Service Demand Charge Credits

Annual Swing Service Demand Charge Credits from ESCOs serving Monthly Balanced SC 18 transportation customers and Annual Daily Balancing Service Demand Charge Credits from ESCOs serving Daily Balanced SC 18 transportation customers.

Issued by: Kenneth D. Daly, President, Brooklyn, NY