Status: CANCELLED Received: 12/30/2016 Effective Date: 01/01/2017

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 1
INITIAL EFFECTIVE DATE: 01/01/17

SUPERSEDING REVISION:

STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

GENERAL INFORMATION - Continued

F. Monthly Transportation Adjustment Charges

- I. Rates for transportation customers taking service under SC 17 will be adjusted monthly to include the following charges and credits:
 - 1. Return Requirement On Gas In Storage as stated on Leaf No 79.5
 - 2. Annual Return Requirement on Gas in Storage Surcharge as stated on Leaf No 79.11
 - 3. Research & Development Charge as stated on Leaf No 90
 - 4. Delivery Penalty Refunds as stated on Leaf No 90
 - 5. Annual Transportation Imbalance Surcharge or Refund as stated on Leaf No 79.14
 - 6. System Performance Adjustment Surcharge or Refund as stated on Leaf No 79.6

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.

II. Annual Transportation Imbalance Surcharge or Refund

An Annual Transportation Imbalance Surcharge or Refund (adjusted for simple interest at the Commission's other customer capital rate) will be included in the rates charged to transportation customers taking service under SC 17 which will consist of the following charges and credits:

- 1. Refunds from pipeline transporters and storage providers as stated on Leaf No 84.
- 2. A reconciliation adjustment for under or over recoveries of refunds from pipeline transporters and storage providers as stated on Leaf No 85.
- 3. Delivery Penalty Charges collected by the Company from transportation customers taking service under SC 17 and 18.

The calculation of the Annual Transportation Imbalance Surcharge or Refund will be filed with the Commission on or before each October 15th and will take effect January 1st through December 31st of the upcoming calendar year.

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