Received: 01/29/2016 Status: CANCELLED Effective Date: 02/01/2016

PSC NO: 1 GAS KEYSPAN GAS EAST CORPORATION INITIAL EFFECTIVE DATE: 02/01/16 STATEMENT TYPE: SCA STATEMENT NO: 79 PAGE 1 Of 3

STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period January 01, 2016 - January 31, 2016

Swing Service Demand Charge

Monthly Balanced Non Core Transportation
Applicable to Sellers Serving SC 7 and SC 13 Customers
(Excludes power generation)

Load Factor	\$ / dth
0-50%	\$0.40
51-100%	\$0.15

Daily Balancing Service Demand Charge

A. <u>Daily Balanced Non Core Transportation</u> Applicable to Sellers participating in the Company's Daily Balancing Program that serve SC 7 and SC 13 customers (excluding Electric Generators)	
B. <u>Electric Generator Non Core Transportation</u> Applicable to Electric Generators or Sellers that serve Electric Generators, taking service under SC 7 or SC 14	\$0.01
Unitized Fixed Cost Credits	<u>\$ / dth</u>
Applicable to Sellers Serving SC 5 Customers (After 2.73% Losses)	(\$0.28)

Daily Cash Out Prices

A) Core Monthly Balancing Program

Applicable to Sellers serving Monthly Balanced SC 5 Customers

The simple average of the following interstate pipeline gas prices for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey:

Transco - Transco Zone 6 NY mid-point price Texas Eastern - Texas Eastern M3 mid-point price Iroquois - Iroquois Zone 2 mid-point price

B) Non-Core Monthly Balancing Program

Applicable to Sellers serving Monthly Balanced SC 7 and SC 13 Customers

The Transco Zone 6 NY mid-point price for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey.

C) Daily Balancing Program

Applicable to Sellers serving Daily Balanced SC 7 and SC 13 Customers

A weighted average price determined for each Seller proportionate to the amount of gas that the Seller delivers on each interstate pipeline to the Company's city gate.

The interstate pipeline gas prices used to compute the Daily Cash Out Price are obtained from Platt's Gas Daily Price Guide, Daily Price Survey for the date of flow as follows:

Transco - Transco Zone 6 NY mid-point price Texas Eastern - Texas Eastern M3 mid-point price Iroquois - Iroquois Zone 2 mid-point price Tennessee - Texas Eastern M3 mid-point price

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Daily Cash Out Penalties:	<u>\$ / dth</u>
Applicable to Sellers participating in either the Company's Core or Non-Core Monthly Balancing Program	
City Gate Balancing Penalty Charge	\$10.00
Operational Flow Order ("OFO") Penalty Charge	\$25.00

Monthly Cash Out Prices

A) Core Monthly Balancing program

Applicable to Sellers serving Monthly Balanced SC 5 Customers

The simple average of the Daily Cash Out Prices in effect during the month.

B) Non-Core Monthly Balancing Program

Applicable to Sellers serving Monthly Balanced SC 7 and SC 13 Customers

The Transco Zone 6 Index published at the start of each month in Platt's Gas Daily Price Guide, Market Center Spot Gas Prices for the Northeast.

C) Daily Balancing Program

Applicable to Sellers serving Daily Balanced SC 7 and SC 13 Customers

Determined for each Seller based on the simple average of the Daily Cash Out Prices in effect during the month.

Mandatory Capacity Program:	<u>\$ / dth</u>
Applicable to Sellers participating in either the Company's Mandatory Capacity Program	
Tier 1 - Pipeline Capacity Release Weighted Average Cost of Capacity ("WACOC")	\$0.9446
Tier 2 - Retail Access Storage Price	
Demand Price	\$0.3480
Commodity Price	\$1.9378

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STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period January 01, 2016 - January 31, 2016

Tier 3 - Peaking Service

A per dekatherm commodity price determined in accordance with Leaf No. 159.4.

Date	Average of Pipeline Indices	% Allocation	LNG Inventory Price	% Allocation	Peaking Price
1/1/2016	\$2.513	0.79	\$2.3443	0.21	\$2.478
1/2/2016	\$2.513	0.79	\$2.3443	0.21	\$2.478
1/3/2016	\$2.513	0.79	\$2.3443	0.21	\$2.478
1/4/2016	\$2.513	0.79	\$2.3443	0.21	\$2.478
1/5/2016	\$5.447	0.79	\$2.3443	0.21	\$4.795
1/6/2016	\$3.408	0.79	\$2.3443	0.21	\$3.185
1/7/2016	\$2.792	0.79	\$2.3443	0.21	\$2.698
1/8/2016	\$2.298	0.79	\$2.3443	0.21	\$2.308
1/9/2016	\$2.930	0.79	\$2.3443	0.21	\$2.807
1/10/2016	\$2.930	0.79	\$2.3443	0.21	\$2.807
1/11/2016	\$2.930	0.79	\$2.3443	0.21	\$2.807
1/12/2016	\$4.133	0.79	\$2.3443	0.21	\$3.758
1/13/2016	\$5.742	0.79	\$2.3443	0.21	\$5.028
1/14/2016	\$2.658	0.79	\$2.3443	0.21	\$2.592
1/15/2016	\$2.085	0.79	\$2.3443	0.21	\$2.139
1/16/2016	\$4.533	0.79	\$2.3443	0.21	\$4.074
1/17/2016	\$4.533	0.79	\$2.3443	0.21	\$4.074
1/18/2016	\$4.533	0.79	\$2.3443	0.21	\$4.074
1/19/2016	\$4.533	0.79	\$2.3443	0.21	\$4.074
1/20/2016	\$3.558	0.79	\$2.3443	0.21	\$3.303
1/21/2016	\$3.447	0.79	\$2.3443	0.21	\$3.215
1/22/2016	\$3.407	0.79	\$2.3443	0.21	\$3.184
1/23/2016	\$3.230	0.79	\$2.3443	0.21	\$3.044
1/24/2016	\$3.230	0.79	\$2.3443	0.21	\$3.044
1/25/2016	\$3.230	0.79	\$2.3443	0.21	\$3.044
1/26/2016	\$2.303	0.79	\$2.3443	0.21	\$2.312
1/27/2016	\$2.378	0.79	\$2.3443	0.21	\$2.371
1/28/2016	\$2.263	0.79	\$2.3443	0.21	\$2.280
1/29/2016	\$2.033	0.79	\$2.3443	0.21	\$2.099
1/30/2016	\$2.033	0.79	\$2.3443	0.21	\$2.099
1/31/2016	\$2.033	0.79	\$2.3443	0.21	\$2.099

Merchant Function Charges	<u>\$ / dth</u>
Applicable to Sellers Participating in the Purchase of Receivables ("POR") Program	
Commodity Related Credit and Collection Expenses	\$0.0314
Commodity Related Credit and Collection Expenses Annual Imbalance Credit (January 1, 2016 Through December 31, 2016)	(\$0.0027)
Unaccounted For Gas ("UFG")	2.73%

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