PSC NO: 1 GAS KEYSPAN GAS EAST CORPORATION INITIAL EFFECTIVE DATE: 01/01/15

STATEMENT TYPE: SCA STATEMENT NO: 66 PAGE 1 Of 3

STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period December 01, 2014 - December 31, 2014

Swing Service Demand Charge

Monthly Balanced Non Core Transportation	Load Factor	\$ / dth
Applicable to Sellers Serving SC 7 and SC 13 Customers	0-50%	\$0.35
(Excludes power generation)	51-100%	\$0.11
Daily Balancing Service Demand Charge		
Daily Balanced Non Core Transportation		<u>\$ / dth</u>
Applicable to Sellers Serving Daily Balanced SC 7		\$0.02
and SC 13 Customers with Load Factors of 0% to 100%		
(Excludes power generation)		
Unitized Fixed Cost Credits		<u>\$ / dth</u>
Applicable to Sellers Serving SC 5 Customers (After 2.73% Losses)		(\$0.31)
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 flow published in Platt's Gas Daily Price Guide, Daily Price Survey:	of	
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 Plat	t'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 amou gas that the Seller delivers on each interstate pipeline to the Company's city ga		
The interstate pipeline gas prices used to compute the Daily Cash Out Price ar		
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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STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period December 01, 2014 - December 31, 2014

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.	
rices 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")	\$0.8307
Tier 2 - Retail Access Storage Price	
Demand Price	\$0.3226
Commodity Price	\$3.1579

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STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period December 01, 2014 - December 31, 2014

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
12/1/2014	\$4.075	0.76	\$3.5925	0.24	\$3.959
12/2/2014	\$3.802	0.76	\$3.5925	0.24	\$3.751
12/3/2014	\$3.528	0.76	\$3.5925	0.24	\$3.544
12/4/2014	\$3.697	0.76	\$3.5925	0.24	\$3.672
12/5/2014	\$3.562	0.76	\$3.5925	0.24	\$3.569
12/6/2014	\$3.638	0.76	\$3.5925	0.24	\$3.627
12/7/2014	\$3.638	0.76	\$3.5925	0.24	\$3.627
12/8/2014	\$3.638	0.76	\$3.5925	0.24	\$3.627
12/9/2014	\$3.792	0.76	\$3.5925	0.24	\$3.744
12/10/2014	\$3.983	0.76	\$3.5925	0.24	\$3.890
12/11/2014	\$4.328	0.76	\$3.5925	0.24	\$4.152
12/12/2014	\$3.815	0.76	\$3.5925	0.24	\$3.762
12/13/2014	\$3.707	0.76	\$3.5925	0.24	\$3.679
12/14/2014	\$3.707	0.76	\$3.5925	0.24	\$3.679
12/15/2014	\$3.707	0.76	\$3.5925	0.24	\$3.679
12/16/2014	\$3.670	0.76	\$3.5925	0.24	\$3.651
12/17/2014	\$3.488	0.76	\$3.5925	0.24	\$3.513
12/18/2014	\$3.553	0.76	\$3.5925	0.24	\$3.563
12/19/2014	\$3.650	0.76	\$3.5925	0.24	\$3.636
12/20/2014	\$3.210	0.76	\$3.5925	0.24	\$3.302
12/21/2014	\$3.210	0.76	\$3.5925	0.24	\$3.302
12/22/2014	\$3.210	0.76	\$3.5925	0.24	\$3.302
12/23/2014	\$2.535	0.76	\$3.5925	0.24	\$2.789
12/24/2014	\$1.892	0.76	\$3.5925	0.24	\$2.300
12/25/2014	\$1.883	0.76	\$3.5925	0.24	\$2.294
12/26/2014	\$1.883	0.76	\$3.5925	0.24	\$2.294
12/27/2014	\$1.883	0.76	\$3.5925	0.24	\$2.294
12/28/2014	\$1.883	0.76	\$3.5925	0.24	\$2.294
12/29/2014	\$1.883	0.76	\$3.5925	0.24	\$2.294
12/30/2014	\$3.475	0.76	\$3.5925	0.24	\$3.503
12/31/2014	\$3.170	0.76	\$3.5925	0.24	\$3.271

Merchant Function Charges

<u>\$ / dth</u>

2.73%

Applicable to Sellers Participating in the Purchase of Receivables ("POR") Program

Commodity Related Credit and Collection Expenses	\$0.0325
Commodity Related Credit and Collection Expenses Annual Imbalance Surcharge (March 1, 2014 Through December 31, 2014)	\$0.0075

Unaccounted For Gas ("UFG")

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