

PSC NO: 12 GAS

LEAF: 75

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 5

INITIAL EFFECTIVE DATE: 01/01/08

SUPERSEDING REVISION: 3

STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

GENERAL INFORMATION – Continued

- c) All other allowable variable fees and charges associated with the dispatch of gas
 - d) Projected Monthly Commodity Cost of Gas = (a) + (b) + (c)
 - e) **The Projected Monthly Unit Commodity Cost of Gas** per therm = (d) divided by Monthly Forecasted Firm and TC Sendout.
2. **The Projected Monthly Hedging Costs / Credits** per therm for Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 shall be computed in advance of each Effective Month by dividing: (a) the Projected Monthly Hedging Costs / Credits by, (b) the Monthly Forecasted Firm Sendout
3. **The Projected Unitized Fixed Cost of Gas** per therm for Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3 and 21 shall be computed in advance of each Gas Cost Year as follows:
- a) For gas supply, pipeline transportation and storage capacity contracts the Company acquired prior to April 1, 2004: 1) multiply the Suppliers', Pipeline Transporters' and Storage Providers' Fixed Charges by the applicable billing determinants for the Gas Cost Year and, 2) sum the resulting products together. **PLUS**
 - b) For incremental gas supply, pipeline transportation and storage capacity contracts acquired since April 1, 2004 to serve the demand growth of the Company and KEDLI on a combined basis: 1) multiply the Suppliers', Pipeline Transporters' and Storage Providers' Fixed Charges by the applicable billing determinants for the Gas Cost Year, 2) sum the resulting products together and multiply by, 3) the Shared Capacity Demand Cost Allocation Percentage. **PLUS**

Issued by: John J. Bishar, Jr., Executive Vice President, General Counsel and Secretary, Brooklyn, NY