

PSC NO: 1 GAS LEAF: 72.1  
 COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2  
 INITIAL EFFECTIVE DATE: 05/06/08 SUPERSEDING REVISION:1  
 STAMPS: Issued in compliance with order in Case 06-G-1186 dated 12/21/07

### GENERAL INFORMATION - Continued

#### 2. Commodity-Related Credit and Collection Expenses

The Commodity-Related Credit and Collection Expenses Unitized Charge per therm to be recovered each Gas Cost Year shall be computed as follows:

- a) Divide the Total Annual Commodity-Related Credit and Collection Expenses for each year as shown on the schedule below

2008	\$2,733,000
2009	\$2,790,393
2010	\$2,848,991
2011	\$2,908,820
2012	\$2,969,905

Beyond 2012, the Total Annual Commodity-Related Credit and Collection Expenses will be held at \$2,969,905 unless changed by the Commission.

- b) **BY**, the estimated annual sales for customers served under Service Classification Nos. 1, 2, 3, 15, 16, and 17 for the corresponding time period

#### 3. Uncollectible Expenses Associated with Gas Costs

The Uncollectible Expenses Associated with Gas Costs Unitized Charge per therm to be recovered each Gas Cost Year shall be projected initially in advance of the Partial Gas Cost Year, and thereafter in advance of every Gas Cost Year, for inclusion in monthly billing as follows:

- a) Multiply the Uncollectible Rate by the sum of
- b) The Projected Annual Fixed Cost of Gas, **PLUS**
- c) The projected annual commodity cost of gas which shall be computed by multiplying the Projected Monthly Unit Commodity Cost of Gas per therm for each month of the Gas Cost Year or Partial Gas Cost Year, as applicable, by the sum of the Company's Annual Forecasted Firm and TC Sendout plus the Company's Annual Forecasted Interruptible Sendout **PLUS**
- d) The projected annual Gas Adjustment Clause recoveries for costs other than those described in paragraphs 2 and 3 above, including Merchant Function Costs and annual reconciliation costs/credits and hedging costs.
- e) Total Projected Annual Uncollectible Expenses Associated with Gas Costs = (a)x[(b)+(c)+(d)] for the Gas Cost Year, or Partial Gas Cost Year where applicable.

Issued by: Nick Stavropoulos, Executive Vice President, Hicksville, NY