

PSC NO: 1 GAS LEAF: 119.52.2
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 9
INITIAL EFFECTIVE DATE: 04/01/22 SUPERSEDING REVISION: 8
STAMPS: Issued in compliance with Order in Case 19-G-0310 dated August 12, 2021

GENERAL INFORMATION - Continued

Gas Safety and Reliability Surcharge

The Gas Safety and Reliability Surcharge ("GSRS") would allow the Company to recover (i) incremental proactive incremental proactive LPP replacements costs up to 102 percent of the rate allowance unit cost; (ii) any earned leak repair Positive Revenue Adjustment ("PRA") and (iii) incremental leak repair costs.

The surcharge will be calculated by taking the incremental costs and incentives described above divided by firm sales and transportation volumes resulting in a per therm rate. The GSRS will be reconciled annually and included in the DRA recovered from SC 1, 2, 3, 9, 15, 16, and 17 firm sales customers and SC 5 firm transportation customers beginning the following July 1st. The GSRS will appear on the Statement of Gas Safety and Reliability Surcharge to be filed each June 15th.

Non-Firm Demand Response Revenues Reconciliation ("NFRR") Surcharge

The Company will fully reconcile actual Non-Firm Demand Response Services revenues as follows, which was imputed in the revenue requirement.

Twelve months ending March 31, 2021: \$5,176,323

Twelve months ending March 31, 2022: \$3,422,035

Twelve months ending March 31, 2023: \$3,327,314

An adjustment will be made to the revenue targets above to remove forecast revenues for Non-Firm Demand Response customers that migrate to firm service. Any difference between actual and imputed revenues will be credited or surcharged to firm sales and firm transportation customers through the DRA for the 12-month period starting July 1.