PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0
INITIAL EFFECTIVE DATE: 11/01/21

SUPERSEDING REVISION: STAMPS: Issued in compliance with Order in Case 20-G-0086 dated October 7, 2021

GENERAL INFORMATION – Continued

63. Firm Gas Demand Response ("DR") for Commercial, Industrial and Multi-Family Customers – Continued

In the case of customers participating in the Hourly DR program options, Pre-Heating and/or Snapback usage increases will not be deducted from Event Performance. In both cases the Company will calculate the Net Daily Reduction (Event Reduction minus Pre-Heating or Snapback increases) for all customers. This Net Daily Reduction will be used in the calculation of the Performance Payment.

a. Performance Factor

The Performance Factor is a percentage value assigned to each Customer account or aggregation based on a 3-event or test event rolling average of Event Performance. For a new account or aggregation that has not participated in 3 or more historical events commencing enrollment, the Performance Factor will be calculated based on the average Event Performance for all historical events where the account was eligible to participate. The Performance Factor will be applied to and adjust a Customer's monthly Reservation Payment at the close of each month.

For returning customer accounts or aggregations, the starting Performance Factor will be equal to the calculated Performance Factor as of the close of the prior season. Each subsequent event during the season will adjust the Performance Factor used in monthly Reservation Payment settlements.

New customers or aggregations will begin the season with an assumed Performance Factor of 100%, but the Event Performance during the first event or test event will retroactively apply to any months where no events occurred.

Issued by: Rudolph L. Wynter, President, Brooklyn, New York