Status: CANCELLED Received: 04/30/2019 Effective Date: 09/01/2021

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0
INITIAL EFFECTIVE DATE: 06/01/19

SUPERSEDING REVISION:
STAMPS:

## GENERAL INFORMATION - Continued

## 55. Earnings Adjustment Mechanism

The Earnings Adjustment Mechanism ("EAM") allows the Company to recover earned gas EAM positive revenue adjustments through an EAM surcharge over the twelve months beginning April 1, 2021 (adjusted for the Company's pre-tax WACC).

The per therm rate will be calculated by allocating the earned incentives to SC 1, 2, 3, 4A, 4A-CNG, 4B, 7 and 21 firm sales and SC 17 firm transportation customers service class based on percentage of gas deliveries. The EAM will appear on the Statement of Earnings Adjustment Mechanism to be filed not less than three (3) days prior to the effective date.

The EAM Allocators are as follows:

Service Class	EAM Allocation %
SC-1A Residential NonHeat	2.2222%
SC-1B Residential Heat	58.0252%
SC-1DG Residential DG	0.0006%
SC-2-1 Non-Residential NonHeat	2.7408%
SC-2-2 Non-Residential Heat	13.7215%
SC-3 Multiple Family	21.7314%
SC-4A High Load Factor	1.1098%
SC-4A CNG	0.1037%
SC-4B Year-Round AC	0.0950%
SC-7 Seasonal	0.0001%
SC-21 DG Sales	0.2496%

## Issued by: John Bruckner, President, Brooklyn, NY