

PSC NO: 12 GAS  
COMPANY: THE BROOKLYN UNION GAS COMPANY  
INITIAL EFFECTIVE DATE: 09/01/21  
STAMPS: Issued in compliance with Order in Case 19-G-0309 dated August 12, 2021

LEAF: 138.55.2  
REVISION: 1  
SUPERSEDING REVISION: 0  
GENERAL INFORMATION – Continued

**55. Earnings Adjustment Mechanism (“EAM”)**

The Company is permitted to earned an EAM positive revenue adjustment if it achieves earnings on the Gas Peak Reduction EAM during the winter season 2020/2021 in accordance with the Commission Order issued in Case 19-G-0309.

The Company is permitted to recover earned EAM positive revenue adjustments for all other EAMs (Gas Peak Reduction, Share the Savings and Low to Moderate Income Customer Savings metrics) through gas surcharges beginning May 1, 2022 adjusted for the Company’s pre-tax WACC.

EAM incentives earned for the Share the Savings and Low to Moderate Income Customer Savings metrics, 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 , SC 17 firm transportation and SC 18-22 and SC 22 Non-Firm Demand Response based on percentage of gas deliveries, exclusive of EJP, divided by applicable therms.

EAM incentive earned for the Peak Load Reduction metric, 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 based on the peak sendout allocator, exclusive of EJP, divided by applicable therms.

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 will be reconciled annually and will be included in the DRA and will appear on the Statement of Earnings Adjustment Mechanism to be effective each May 1<sup>st</sup>.

Issued by: Rudolph L. Wynter, President, Brooklyn, NY