PSC NO: 12 GAS LEAF: 79.15 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0 INITIAL EFFECTIVE DATE: 03/01/16 SUPERSEDING REVISION: STAMPS:

GENERAL INFORMATION – Continued

III. Mid-year Adjustment to Annual Transportation Imbalance Surcharge or Refund

A mid-year adjustment to the Annual Transportation Imbalance Surcharge or Refund will be implemented, as required, each March 1st for the remainder of the calendar year.

The mid-year adjustment will include: 1) any residual imbalance and interest as of December 31st of the previous year associated with the over or under recovery of the previous year's Annual Transportation Imbalance Surcharge or Refund, and 2) an adjustment for principal and interest estimated to be recovered under the currently effective Annual Transportation Imbalance Surcharge or Refund during January and February of the current year.

The Company will file its calculation of the updated Annual Transportation Imbalance Surcharge or Refund with the Commission on or before each February 15th. This factor will be set forth on the Statement of Transportation Adjustment Charges not less than two business days prior to March 1st.

Issued by: Kenneth D. Daly, President, Brooklyn, NY