

PSC NO: 12 GAS

LEAF: 138.55

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 1

INITIAL EFFECTIVE DATE: 03/01/16

SUPERSEDING REVISION:

STAMPS:

GENERAL INFORMATION – Continued

53. Electric Generator Revenue Reconciliation

100% of the revenues from electric generator taking service under SC 18 and 20 will be credited from electric generators to the Company's revenue requirements rather than to fixed gas costs to reduce delivery rates to firm sales and firm transportation customers. The Company will reconcile the difference between the electric generator revenues included in revenue requirements and the actual revenues it recovers from the electric generators at the end of each rate year.

The surcharge is being proposed to true-up actual revenue to the amount credited to the revenue requirement. The surcharge will appear on Statement of Electric Generator Revenue.

Any difference would be credited or surcharged to firm sales and firm transportation customers through the delivery rate adjustment ("DRA") for the 12-month period starting March 1st.

54. Newtown Creek Project Credit

SC 1, 2, 3, 4A, 4A-CNG, 4B, 7, and 21 firm sales customers and SC 17 firm transportation customers will receive a credit equal to the gas charges paid by KEDNY/KEDLI's sales customers. Newtown Creek Project Credit will be credited through the DRA. These same customers will also receive credit for any environmental attributes or third-party sales via this mechanism. The Company will reconcile these credits annually. This credit will be shown on the Statement of Newtown Creek Project Credit.

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