

PSC NO: 1 GAS

LEAF: 71

COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I.

REVISION: 9

INITIAL EFFECTIVE DATE: 11/01/13

SUPERSEDING REVISION: 8

STAMPS:

GENERAL INFORMATION - Continued**III. Adjustments of Rates and Charges (continued):**

1--Adjustment of Rates in Accordance with Changes in the Cost of Gas and Pipeline Costs (continued):

D. Monthly Transportation Costs for Service Classification No. 5 Customers:

E. Refund Provision

In the event that the rates and charges of the Company's gas suppliers, pipeline transporters or storage providers are retroactively reduced and the Company receives a refund for excess charges paid, the total amount of the refund adjusted to include simple interest at the Commission's Other Customer Capital Rate will be returned to the Company's firm customers as follows:

1. Gas Supplier Refunds

- a) Refunds from gas suppliers will be allocated between the Company and KEDNY in proportion to each company's projected firm sales over the calendar year in which the refund is to be credited.
- b) The Company will credit its portion of the refund to firm sales customers served under SC 1, 2, 3, 15, 16 and 17.
- c) The refund will be included as a credit in the computation of the Annual Cost of Gas Surcharge or Refund filed with the Commission on or before each October 15th.

2. Refunds from Pipeline Transporters and Storage Providers

- a) Refunds credited by pipeline transporters or storage providers to the Company only and not to ESCOs or Direct Customers that have obtained a capacity release from the Company of the associated pipeline transportation or storage capacity:
 - 1) The refund will be allocated between the Company and KEDNY in proportion to each company's projected firm sales and transportation quantities over the calendar year in which the refund is to be credited.
 - 2) The refund allocable to firm sales customers served under SC 1, 2, 3, 15, 16 and 17 will be included as a credit in the computation of the Annual Cost of Gas Surcharge or Refund filed with the Commission on or before each October 15th.
 - 3) The refund allocable to firm transportation customers served under SC 5 will be included as a credit in the computation of the Annual Transportation Adjustment Charge Imbalance Surcharge or Refund and filed with the Commission on or before each October 15th.

Issued by: William J. Akley, President, Hicksville, NY