

PSC NO: 1 GAS LEAF: 194
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 11/01/14 SUPERSEDING REVISION: 0
STAMPS:

SERVICE CLASSIFICATION NO. 14 (Continued)**H. VALUE ADDED CHARGE**

The Value Added Charge is a unitized per dekatherm rate, derived from the increase from the Base Year Spark Spread to the Spark Spread in the Test Year. The Value Added Charge is applied to every dekatherm delivered by the Company to the Customer or the Customer's Annual Minimum Bill Obligation, whichever is greater, during the Effective Period.

The Value Added Charge for the Effective Period January 1, 2006 through April 30, 2007 equals the Annual Total Value Added Charge for the Test Year ending November 30, 2005 divided by the number of dekatherms the Company delivered to the Customer during the Test Year. If the Customer does not have twelve months of consumption data for the Test Year, that Customer will be assigned a Value Added Charge equal to the average of all the Customer's Value Added Charges within the applicable heat rate tier level.

The Value Added Charge for all Effective Periods beginning May 1, 2007 will be based on the Total Value Added Charge for the Test Year, as adjusted for the Reconciliation Charge, divided by the number of dekatherms the Company delivered to the Customer during the Test Year.

Each year, beginning March 1, 2007, the Company will file the Value Added Charge to become effective May 1 of that year.

Issued by: David B. Doxsee, Vice President, Hicksville, NY