

PSC NO: 1 GAS LEAF: 70  
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 6  
INITIAL EFFECTIVE DATE: 09/01/14 SUPERSEDING REVISION: 5  
STAMPS:

## GENERAL INFORMATION - Continued

4. **Average Fixed Cost Credits**

- a) In advance of each Gas Cost Year, and updated during the year if appropriate, the Company will estimate Annual Fixed Cost Credits for the following categories:
- 1) TC Fixed Cost Credits  
Multiply annual forecasted SC 12 sales by 4.60 cents per therm.
  - 2) Electric Generator Revenues  
Annual transportation revenues including Value Added Charges and Daily Balancing Service Demand Charges from electric generators taking transportation service under SC 7 and 14.
  - 3) Non-Core Swing Service and Daily Balancing Service Demand Charge Credits  
Annual Swing Service Demand Charge Credits from ESCOs serving Monthly Balanced SC 7 and 13 transportation customers and Annual Daily Balancing Service Demand Charge Credits from ESCOs serving Daily Balanced SC 7 and 13 transportation customers.
  - 4) Off-system Revenue Credits  
Determined in accordance with Rule II.1.
- b) The categories of Annual Fixed Cost Credits determined in C.4.a above will be allocated as follows:
- 1) SC 1, 2, 3, 15, 16 and 17 Sales Customers  
Will receive: 1) TC Fixed Cost Credits, 2) Electric Generator Revenues, 3) Non-Core Swing Service and Daily Balancing Service Demand Charge Credits and 4) Off-System Revenue Credits proportionate to the Average Fixed Cost of Gas determined in accordance with Rule III.1.C.3.
  - 2) ESCOs Participating in the Company's Mandatory Capacity Program pursuant to SC 8  
Will receive: 1) TC Fixed Cost Credits, 2) Electric Generator Revenues, and 3) Non-Core Swing Service and Daily Balancing Service Demand Charge Credits proportionate to the Average Fixed Cost of Gas determined in accordance with Rule III.1.C.3.
- c) Average Fixed Cost Credits will be computed for each of the following customer groups:
- 1) SC 1, 2, 3, 15, 16 and 17 Sales Customers  
Divide the Annual Fixed Cost Credits allocated to these sales customers by: 1) annual forecasted SC 1, 2, 3, 15, 16 and 17 sales and then divide by; 2) the Factor of Adjustment.
  - 2) ESCOs Participating in the Company's Mandatory Capacity Program pursuant to SC 8  
Divide the Annual Fixed Cost Credits allocated to the ESCOs by: 1) annual forecasted SC 5 transportation volumes and then divide by; 2) the Factor of Adjustment.

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