

PSC NO: 1 GAS LEAF: 69  
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 9  
INITIAL EFFECTIVE DATE: 09/01/14 SUPERSEDING REVISION: 8  
STAMPS:

### GENERAL INFORMATION

#### III. Adjustments of Rates and Charges:

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

##### A. Statement of Monthly Cost of Gas and Adjustments:

Customers who purchase natural gas supply from the Company will be charged the Monthly Cost of Gas and adjustments set forth on the Statement of Monthly Cost of Gas and Adjustments. The Company shall file this statement not less than two business days prior to the date which it is proposed to become effective.

The Statement of Monthly Cost of Gas and Adjustments shall contain the following charges and adjustments:

1. Weighted Average Commodity Cost of Gas  
The sum of the Average Commodity Cost of Gas and the Average Monthly Hedging Costs / Credits determined in accordance with Rules III.1.C.1 and III.1.C.2.
2. Average Fixed Cost of Gas  
The Average Fixed Cost of Gas determined in accordance with Rule III.1.C.3.
3. Weighted Average Cost of Gas  
The sum of the Weighted Average Commodity Cost of Gas from A.1 above and the Average Fixed Cost of Gas from A.2 above.
4. Average Fixed Cost Credits  
The Average Fixed Cost Credits determined in accordance with Rule III.1.C.4.
5. Monthly Cost of Gas  
The sum of the Weighted Average Cost of Gas from A.3 above and the Average Fixed Cost Credits from A.4 above:
  - a. Before multiplying by the Factor of Adjustment.
  - b. After multiplying by the Factor of Adjustment
6. Adjustments
  - a. Monthly Cost of Gas Imbalance Surcharge or (Refund)  
Determined in accordance with Rule III.1.G.
  - b. Annual Cost of Gas Imbalance Surcharge or (Refund)  
Determined in accordance with Rule III.1.H.
  - c. Research & Development Charge  
Determined in accordance with Rule III.1.L.

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