

PSC NO: 12 GAS

LEAF: 86

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 7

INITIAL EFFECTIVE DATE: 06/01/14

SUPERSEDING REVISION: 6

STAMPS:

## GENERAL INFORMATION - Continued

**39. A. Transition Costs**

- I. Transition Costs incurred by the Company from its pipeline gas suppliers or transporters as a result of the implementation of Federal Energy Regulatory Commission Order No. 636, shall be recovered by the Company as follows:
- (a) Unrecovered gas costs remaining when the pipeline terminates sales service shall be recovered from Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 (Rate 1) and 21 through their applicable Monthly Cost of Gas.
  - (b) New facility costs incurred to implement FERC Order No. 636 and reflected in pipeline base rates shall be recovered from Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 (Rate 1), 17, 18 and 21 through their applicable Monthly Cost of Gas.
  - (c) Gas Supply Restructuring (GSR) costs and Stranded Facility costs shall be recovered from the Gas Adjustment applicable to Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 (Rate 1) and 21, as well as surcharges listed on the Company's Statements of Rates and Charges for Service Classification Nos. 17 and 18.

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