



May 8, 2014

Hon. Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

Re: 13-G-0439 Tariff filing by The Brooklyn Union Gas Company d/b/a National Grid NY to modify the calculation of the monthly cost of gas for sales customers under Service Classification Nos. 4A-High Load Factor Service; 4A-CNG Compressed Natural Gas Equipment Service and 4B-Year-Round Air Conditioning Service.

Dear Secretary Burgess:

In accordance with the Public Service Commission's November 16, 2013 Order in the above-referenced proceeding, The Brooklyn Union Gas Company d/b/a National Grid NY ("National Grid" or "Company") hereby submits the following tariff leaves on Attachment 1 to become effective September 1, 2014:

The Company also submits the following pro-forma statements to become effective September 1, 2014:

- Statement of Monthly Cost of Gas and Adjustments shown on Attachment 2
- Statement of Seller Charges and Adjustments shown on Attachment 3

National Grid previously submitted a tariff filing on September 19, 2013 to modify its calculation of the monthly cost of gas for sales customers provided service under Service Classification Nos. 4A - High Load Factor Service; 4A-CNG - Compressed Natural Gas Equipment Service; and 4B - Year-Round Air Conditioning Service. Specifically, the Company had proposed to revise its calculation of the fixed cost credit component of the monthly cost of gas for those service classifications.

In response to comments National Grid received, and in consultation with Department of Public Service Staff, the Company agreed to make further revisions to its September 19, 2013 filing. Specifically, the Company is now proposing to revise the calculation of both the fixed gas cost component and fixed cost credit component of the monthly cost of gas for Service Classification Nos. 4A, 4A-CNG and 4B. These changes, in turn, impact the calculation of the monthly cost of gas for the Company's firm sales customers provided service under Service Classification Nos. 1, 2, 3 and 21. Also impacted is the calculation of fixed cost credits allocated to sellers serving transportation customers provided service under Service Classification No. 17. Accordingly, the Company is proposing to modify the applicable tariff provisions.

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In addition, the Company is proposing to make housekeeping changes to eliminate tariff provisions that are obsolete as well as to streamline and clarify the calculation of the monthly cost of gas.

In accordance with Section 720-2.3 of the Commission's Regulations, a proposed notice of this filing suitable for use under the State Administrative Procedure Act is also enclosed.

Please contact the undersigned with any questions regarding this letter or the enclosure.

Very truly yours,

Melissa R. Nairn
Program Manager
Regulation and Pricing

ATTACHMENT 1

Sixth Revised Leaf No. 66

Twelfth Revised Leaf No. 67

Eleventh Revised Leaf No. 68

Eleventh Revised Leaf No. 69

Eighth Revised Leaf No. 70

Ninth Revised Leaf No. 71

Thirteenth Revised Leaf No. 72

Fourteenth Revised Leaf No. 73

Ninth Revised Leaf No. 74

Eighth Revised Leaf No. 75

Tenth Revised Leaf No. 76

Sixth Revised Leaf No. 77

Tenth Revised Leaf No. 78

Eighth Revised Leaf No. 79

Fourth Revised Leaf No. 79.1

Original Leaf No. 79.1.1

Third Revised Leaf No. 79.2

Fourth Revised Leaf No. 79.12

Eighteenth Revised Leaf No. 140

Eighteenth Revised Leaf No. 144

Fourteenth Revised Leaf No. 148

Seventeenth Revised Leaf No. 152

Fourteenth Revised Leaf No. 156

Fifth Revised Leaf No. 158.1

Eighteenth Revised Leaf No. 160

Sixteenth Revised Leaf No. 163

Fourteenth Revised Leaf No. 167

Fourteenth Revised Leaf No. 172

Eleventh Revised Leaf No. 229

Second Revised Leaf No. 270

Tenth Revised Leaf No. 405

Supplement No. 66

PSC NO: 12-GAS
 COMPANY: THE BROOKLYN UNION GAS COMPANY
 INITIAL EFFECTIVE DATE: XXXX

STATEMENT TYPE: GAC
 STATEMENT NO: XXXX
 PAGE 1 OF 5

PRO-FORMA
STATEMENT OF MONTHLY COST OF GAS AND ADJUSTMENTS
Applicable to Billing for Service Classification Nos. 1, 2, 3 & 21

	<u>¢ per therm</u>
1. Weighted Average Commodity Cost of Gas	X.XXXX
2. Average Fixed Cost of Gas	X.XXXX
3. Weighted Average Cost of Gas (1 + 2; Gross, before LAUF)	X.XXXX
4. Average Fixed Cost Credits	X.XXXX
5. Monthly Cost of Gas (3 + 4)	
a) Before the Factor of Adjustment	X.XXXX
b) Multiplied by the Factor of Adjustment of 1.0153 (Effective XXXX)	X.XXXX
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	X.XXXX
b) Annual Cost of Gas Imbalance Surcharge or (Refund) Effective XXXX to xxxx referable to the twelve months ending XXXX	X.XXXX
c) Research & Development Charge (Effective xxxx)	X.XXXX
d) Merchant Function Charge (Effective XXXX to XXXX)	X.XXXX
e) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective Effective XXXX to XXXX referable to the twelve months ending XXXX	X.XXXX
f) System Performance Adjustment (SPA) Surcharge or (Refund)	X.XXXX
g) Total Adjustments	X.XXXX
7. Monthly Cost of Gas and Adjustments (5b + 6g)	X.XXXX

Issued by Kenneth D. Daly, President, Brooklyn, NY
 The Brooklyn Union Gas Company

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PRO-FORMA
STATEMENT OF MONTHLY COST OF GAS AND ADJUSTMENTS
Applicable to Billing for Service Classification No. 4A

¢ per therm

1. Weighted Average Commodity Cost of Gas	X.XXXX
2. Average Fixed Cost of Gas	X.XXXX
3. Weighted Average Cost of Gas (1 + 2; Gross, before LAUF)	X.XXXX
4. Average Fixed Cost Credits	X.XXXX
5. Monthly Cost of Gas (3 + 4)	
a) Before the Factor of Adjustment	X.XXXX
b) Multiplied by the Factor of Adjustment of 1.0153 (Effective XXXX)	X.XXXX
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	X.XXXX
b) Annual Cost of Gas Imbalance Surcharge or (Refund) Effective XXXX to xxxx referable to the twelve months ending XXXX	X.XXXX
c) Research & Development Charge (Effective xxxx)	X.XXXX
d) Merchant Function Charge (Effective XXXX to XXXX)	X.XXXX
e) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective Effective XXXX to XXXX referable to the twelve months ending XXXX	X.XXXX
f) System Performance Adjustment (SPA) Surcharge or (Refund)	X.XXXX
g) Total Adjustments	X.XXXX
7. Monthly Cost of Gas and Adjustments (5b + 6g)	X.XXXX

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PRO-FORMA
STATEMENT OF MONTHLY COST OF GAS AND ADJUSTMENTS
Applicable to Billing for Service Classification No. 4A-CNG

Applicable to Service Classification No. 4A-CNG	<u>¢ per therm</u>
1. Weighted Average Commodity Cost of Gas	X.XXXX
2. Average Fixed Cost of Gas	X.XXXX
3. Weighted Average Cost of Gas (1 + 2; Gross, before LAUF)	X.XXXX
4. Average Fixed Cost Credits	X.XXXX
5. Monthly Cost of Gas (3 + 4)	
a) Before the Factor of Adjustment	X.XXXX
b) Multiplied by the Factor of Adjustment of 1.0153 (Effective XXXX)	X.XXXX
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	X.XXXX
b) Annual Cost of Gas Imbalance Surcharge or (Refund) Effective XXXX to xxxx referable to the twelve months ending XXXX	X.XXXX
c) Research & Development Charge (Effective xxxx)	X.XXXX
d) Merchant Function Charge (Effective XXXX to XXXX)	X.XXXX
e) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective Effective XXXX to XXXX referable to the twelve months ending XXXX	X.XXXX
f) System Performance Adjustment (SPA) Surcharge or (Refund)	X.XXXX
g) Total Adjustments	X.XXXX
7. Monthly Cost of Gas and Adjustments (5b + 6g)	X.XXXX

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PRO-FORMA
STATEMENT OF MONTHLY COST OF GAS AND ADJUSTMENTS
Applicable to Billing for Service Classification No. 4A

Applicable to Service Classification No. 4B	<u>¢ per therm</u>
1. Weighted Average Commodity Cost of Gas	X.XXXX
2. Average Fixed Cost of Gas	X.XXXX
3. Weighted Average Cost of Gas (1 + 2; Gross, before LAUF)	X.XXXX
4. Average Fixed Cost Credits	X.XXXX
5. Monthly Cost of Gas (3 + 4)	
a) Before the Factor of Adjustment	X.XXXX
b) Multiplied by the Factor of Adjustment of 1.0153 (Effective XXXX)	X.XXXX
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	X.XXXX
b) Annual Cost of Gas Imbalance Surcharge or (Refund) Effective XXXX to xxxx referable to the twelve months ending XXXX	X.XXXX
c) Research & Development Charge (Effective xxxx)	X.XXXX
d) Merchant Function Charge (Effective XXXX to XXXX)	X.XXXX
e) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective Effective XXXX to XXXX referable to the twelve months ending XXXX	X.XXXX
f) System Performance Adjustment (SPA) Surcharge or (Refund)	X.XXXX
g) Total Adjustments	X.XXXX
7. Monthly Cost of Gas and Adjustments (5b + 6g)	X.XXXX

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PRO-FORMA
STATEMENT OF MONTHLY COST OF GAS AND ADJUSTMENTS
Applicable to Billing for Service Classification Nos. 7 & 14

	<u>¢ per therm</u>
1. Weighted Average Commodity Cost of Gas	X.XXXX
2. Average Fixed Cost of Gas	X.XXXX
3. Weighted Average Cost of Gas (1 + 2; Gross, before LAUF)	X.XXXX
4. Average Fixed Cost Credits	X.XXXX
5. Monthly Cost of Gas (3 + 4)	
a) Before the Factor of Adjustment	X.XXXX
b) Multiplied by the Factor of Adjustment of 1.0153 (Effective XXXX)	X.XXXX
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	X.XXXX
b) Annual Cost of Gas Imbalance Surcharge or (Refund) Effective XXXX to xxxx referable to the twelve months ending XXXX	X.XXXX
c) Research & Development Charge (Effective xxxx)	X.XXXX
d) Merchant Function Charge (Effective XXXX to XXXX)	X.XXXX
e) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective Effective XXXX to XXXX referable to the twelve months ending XXXX	X.XXXX
f) System Performance Adjustment (SPA) Surcharge or (Refund)	X.XXXX
g) Total Adjustments	X.XXXX
7. Monthly Cost of Gas and Adjustments (5b + 6g)	X.XXXX

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PSC NO: 12 GAS
 THE BROOKLYN UNION GAS COMPANY
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 STATEMENT NO: XXX
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PRO-FORMA
STATEMENT OF SELLER CHARGES AND ADJUSTMENTS
Applicable to Customers Under Service Classification No. 19
For the Period XXX - XXX

Swing Service Demand Charge

- A. Monthly Balanced Core Transportation
 Applicable to Sellers Serving Monthly Balanced
 SC 17 Customers

Load Factor	\$ / dth
0-50%	X.XX
51-100%	X.XX

- B. Monthly Balanced Non Core Transportation
 Applicable to Sellers Serving Monthly Balanced
 SC 18 Customers
 (Excludes power generation)

Load Factor	\$ / dth
0-50%	X.XX
51-100%	X.XX

Daily Balancing Service Demand Charge

- A. Daily Balanced Non Core Transportation
 Applicable to Sellers Serving Daily Balanced
 SC 18 Customers with Load Factors of 0% - 100%
 (Excludes power generation)

\$ / dth
 X.XX

Average Fixed Cost Credits Applicable to Sellers Serving SC 17 Customers
(After 1.53% Losses)

\$/dth
 X.XX

Daily Cash Out Prices

Transco Zone 6 NY midpoint price published in Platt's Gas Daily Price Guide, Daily Price Survey
 for the date of flow reflected as a per dekatherm price.

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PSC NO: 12 GAS
 THE BROOKLYN UNION GAS COMPANY
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STATEMENT TYPE: SCA
 STATEMENT NO: XXX
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**PRO-FORMA
 STATEMENT OF SELLER CHARGES AND ADJUSTMENTS
 Applicable to Customers Under Service Classification No. 19
 For the Period XXX - XXX**

Daily Cash Out Penalties: **\$ / dth**

City Gate Balancing Penalty Charge XX.XX

Operational Flow Order (OFO) Penalty Charge XX.XX

Monthly Cash Out Price

Transco Zone 6 NY Index published at the start of each month in Platt's Gas Daily Price Guide,
 Market Center Spot Gas Prices for the Northeast reflected as a per dekatherm price.

Mandatory Capacity Program: **\$ / dth**

Tier 1 - Weighted Average Cost Of Capacity (WACOC) X.XXXX

Tier 2 - Bundled Winter Sales Price X.XXXX

Tier 3 - Virtual Storage Price X.XXXX

Applicable to Sellers Participating in the POR Program: **\$ / dth**

Commodity Related Credit and Collection Expenses X.XXXX

Commodity Related Credit and Collection Expenses Annual Imbalance X.XXXX
 Surcharge / Refund (March 1, 2014 Through December 31, 2014)

Lost and Unaccounted for Gas ("LAUF") **X.XX%**

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