

PSC NO: 1-GAS  
COMPANY: KEYSpan GAS EAST CORPORATION  
INITIAL EFFECTIVE DATE: 10/01/2012

**STATEMENT TYPE: GAC**  
STATEMENT NO: 164

**STATEMENT OF GAS AND PIPELINE COSTS AND ADJUSTMENTS**  
**Applicable to usage under Service Classification Nos. 1, 2, 3, 15, 16, 17**  
**(Issued under authority of 16 NYCRR 270.57)**

<b>Applicable to Service Classification Nos.</b>	<b>1, 2, 3, 15, 16, 17</b> <b><u>¢ per therm</u></b>
1. Weighted Average Unitized Commodity Cost of Gas	<b>31.9411</b>
2. Weighted Average Unitized Fixed Costs	29.2961
3. Weighted Average Unitized Cost of Gas (1 + 2; Gross, before losses)	61.2372
4. Unitized Fixed Cost Credits	<b>(18.0092)</b>
5. Weighted Average Unitized Cost of Gas including Fixed Cost Credits (3 + 4)	
a) Before losses	43.2280
b) After 2.73% losses	<b>44.4427</b>
6. Adjustments	
a) Monthly Cost of Gas Imbalance Surcharge or (Refund)	0.0000
b) Annual Cost of Gas Imbalance Surcharge or (Refund) for the period March 01, 2012 through December 31, 2012 referable to the twelve months ending August 31, 2011	(0.1560)
c) Pipeline Refund Provision	0.0000
d) Research & Development Charge	0.1000
e) Merchant Function Charge (Effective October 1, 2012 to August 31, 2013)	2.3055
f) Annual Merchant Function Charge Imbalance Surcharge or (Refund) for the period March 01, 2012 through December 31, 2012 referable to the twelve months ending August 31, 2011	(0.6720)
Total adjustments	1.5775
7. Total Unitized Cost of Gas (5 + 6)	<b>46.0202</b>

Issued by: William J. Akley, President, Hicksville, NY  
KeySpan Gas East Corporation

Computation Date: September 27, 2012