Received: 11/01/2012

Status: CANCELLED Effective Date: 11/01/2012

PSC NO: 1 GAS KEYSPAN GAS EAST CORPORATION INITIAL EFFECTIVE DATE: 11/01/12 STATEMENT TYPE: SCA STATEMENT NO: 40 PAGE 1 Of 2

STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period October 01, 2012 - October 31, 2012

Swing Service Demand Charge

A. Monthly Balanced Core Transportation
Applicable to Sellers Serving Monthly Balanced SC 5
Customers

Load Factor	\$ / dth
0-50%	0.85
51-100%	0.42

B. Monthly Balanced Non Core Transportation
Applicable to Sellers Serving SC 7 and SC 13 Customers
(Excludes power generation)

Load Factor	\$ / dth
0-50%	0.24
51-100%	0.09

Daily Balancing Service Demand Charge

A. Daily Balanced Non Core Transportation
Applicable to Sellers Serving Daily Balanced SC 7
and SC 13 Customers with Load Factors of 0% to 100%
(Excludes power generation)

\$ / dth 0.04

\$ / dth

<u>Unitized Fixed Cost Credits Applicable to Sellers Serving SC 5 Customers</u>

(After 2.73% Losses)

\$ (0.27)

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.

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

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Daily Cash Out Penalties:	<u>\$ / dth</u>
City Gate Balancing Penalty Charge	\$10.00
Operational Flow Order (OFO) Penalty Charge	\$25.00

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:	<u>\$ / dth</u>
Weighted Average Cost Of Capacity (WACOC)	\$0.8331
Tier 2 - Bundled Winter Sales Price	\$0.0000
Tier 3 - Virtual Storage Price	\$0.0000
Applicable to Sellers Participating in the POR Program:	
Commodity Related Credit and Collection Expenses	\$0.0324
Commodity Related Credit and Collection Expenses Annual Imbalance Surcharge / Refund (March 1, 2012 Through December 31, 2012)	\$0.0032
<u>Unaccounted For Gas (UFG)</u>	2.73%

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