PSC NO: 1 GAS KEYSPAN GAS EAST CORPORATION INITIAL EFFECTIVE DATE: 08/05/16

STATEMENT TYPE: SCA STATEMENT NO: 85 PAGE 1 Of 3

STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 and Electric Generators Under Service Classification Nos. 7 and 14 For the Period July 01, 2016 - July 31, 2016

Swing Service Demand Charge

Monthly Balanced Non Core Transportation	Load Factor	\$ / dth
Applicable to Sellers that serve SC 7 and SC 13 customers	0-50%	\$0.40
(excluding Electric Generators)	51-100%	\$0.15
Daily Balancing Service Demand Charge		
A. Daily Balanced Non Core Transportation		<u>\$ / dth</u>
Applicable to Sellers participating in the Company's Daily Balancing		<u>\$7 am</u> \$0.02
Program that serve SC 7 and SC 13 customers (excluding Electric Generators)		\$0.02
Togram mat serve be / and be is customers (chorading Electric Conclusion)		
B. Electric Generator Non Core Transportation		\$0.01
Applicable to Electric Generators or Sellers that serve Electric		
Generators, taking service under SC 7 or SC 14		
Unitized Fixed Cost Credits		<u>\$ / dth</u>
		<u>+ · · ···</u>
Applicable to Sellers Serving SC 5 Customers (After 2.73% Losses)		(\$0.28)
Daily Cash Out Prices		
A. Core Monthly Balancing Program		
Applicable to Sellers serving Monthly Balanced SC 5 Customers		
The simple average of the following interstate pipeline gas prices for the date	of	
flow published in Platt's Gas Daily Price Guide, Daily Price Survey:		
Torrest Transformed NIV and the interview		
Transco - Transco Zone 6 NY mid-point price		
Texas Eastern - Texas Eastern M3 mid-point price Iroquois - Iroquois Zone 2 mid-point price		
noquois - noquois zone 2 mid-point price		
B. Non-Core Monthly Balancing Program		
Applicable to Sellers serving Monthly Balanced SC 7 and SC 13 Customers		
The Transco Zone 6 NY mid-point price for the date of flow published in Pla	it's	
Gas Daily Price Guide, Daily Price Survey.		
C. Daily Balancing Program		
Applicable to Sellers serving Daily Balanced SC 7 and SC 13 Customers		
A weighted average price determined for each Seller proportionate to the amo		
gas that the Seller delivers on each interstate pipeline to the Company's city g	ate.	
The interstate pipeline gas prices used to compute the Daily Cash Out Price a	re obtained	
from Platt's Gas Daily Price Guide, Daily Price Survey for the date of flow as		
Transco - Transco Zone 6 NY mid-point price		
Texas Eastern - Texas Eastern M3 mid-point price		
Iroquois - Iroquois Zone 2 mid-point price		
Tennessee - Texas Eastern M3 mid-point price		

Issued by: David B. Doxsee, Vice President, Hicksville, NY

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STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period July 01, 2016 - July 31, 2016

Daily Cash Out Penalties:	<u>\$ / dth</u>
Applicable to Sellers participating in either the Company's Core or Non-Core Monthly Balancing Program	
City Gate Balancing Penalty Charge	\$10.00
Operational Flow Order ("OFO") Penalty Charge	\$25.00
Monthly Cash Out Prices	
 <u>Core Monthly Balancing program</u> Applicable to Sellers serving Monthly Balanced SC 5 Customers The simple average of the Daily Cash Out Prices in effect during the month. 	
B. <u>Non-Core Monthly Balancing Program</u> Applicable to Sellers serving Monthly Balanced SC 7 and SC 13 Customers	
The Transco Zone 6 Index published at the start of each month in Platt's Gas Daily Price Guide, Market Center Spot Gas Prices for the Northeast.	
C. <u>Daily Balancing Program</u> Applicable to Sellers serving Daily Balanced SC 7 and SC 13 Customers	
Determined for each Seller based on the simple average of the Daily Cash Out Prices in effect during the month.	
Mandatory Capacity Program:	<u>\$ / dth</u>
Applicable to Sellers participating in either the Company's Mandatory Capacity Program	
Tier 1 - Pipeline Capacity Release Weighted Average Cost of Capacity ("WACOC")	\$0.9345
Tier 2 - Retail Access Storage Price Demand Price Commodity Price	N/A N/A
Tier 3 - Peaking Service A per dekatherm commodity price determined in accordance with Leaf No. 159.4.	N/A
Tier 2 and Tier 3 services are only applicable from November through April	

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STATEMENT OF SELLER CHARGES AND ADJUSTMENTS Applicable to Customers Under Service Classification No. 8 For the Period July 01, 2016 - July 31, 2016

Merchant Function Charges	<u>\$ / dth</u>
Applicable to Sellers Participating in the Purchase of Receivables ("POR") Program	
Commodity Related Credit and Collection Expenses	\$0.0314
Commodity Related Credit and Collection Expenses Annual Imbalance Refund (January 1, 2016 Through December 31, 2016)	(\$0.0029)
Unaccounted For Gas ("UFG")	2.73%

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