

PSC NO: 1 GAS  
KEYSPAN GAS EAST CORPORATION  
INITIAL EFFECTIVE DATE: 09/08/16

STATEMENT TYPE: SCA  
STATEMENT NO: 86  
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**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 August 01, 2016 - August 31, 2016**

**Swing Service Demand Charge**

Monthly Balanced Non Core Transportation

Applicable to Sellers that serve SC 7 and SC 13 customers  
(excluding Electric Generators)

Load Factor	\$ / dth
0-50%	\$0.40
51-100%	\$0.15

**Daily Balancing Service Demand Charge**

A. Daily Balanced Non Core Transportation

Applicable to Sellers participating in the Company's Daily Balancing  
Program that serve SC 7 and SC 13 customers (excluding Electric Generators)

**\$ / dth**

\$0.02

B. Electric Generator Non Core Transportation

Applicable to Electric Generators or Sellers that serve Electric  
Generators, taking service under SC 7 or SC 14

\$0.01

**Unitized Fixed Cost Credits**

**\$ / dth**

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:

Transco - Transco Zone 6 NY mid-point price  
Texas Eastern - Texas Eastern M3 mid-point price  
Iroquois - Iroquois 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 Platt'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 amount of  
gas that the Seller delivers on each interstate pipeline to the Company's city gate.

The interstate pipeline gas prices used to compute the Daily Cash Out Price are obtained  
from Platt's Gas Daily Price Guide, Daily Price Survey for the date of flow as follows:

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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**Applicable to Customers Under Service Classification No. 8**  
**For the Period August 01, 2016 - August 31, 2016**

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

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****A. Core Monthly Balancing program**

Applicable to Sellers serving Monthly Balanced SC 5 Customers  
The simple average of the Daily Cash Out Prices in effect during the month.

**B. Non-Core Monthly Balancing Program**

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. Daily Balancing Program**

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:****\$ / dth**

Applicable to Sellers participating in either the Company's Mandatory Capacity Program

Tier 1 - Pipeline Capacity Release  
Weighted Average Cost of Capacity ("WACOC") \$0.9353

Tier 2 - Retail Access Storage Price  
Demand Price N/A  
Commodity Price 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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**Applicable to Customers Under Service Classification No. 8**  
**For the Period August 01, 2016 - August 31, 2016**

<u>Merchant Function Charges</u>	<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)
<u>Unaccounted For Gas ("UFG")</u>	2.73%

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