Received: 06/27/2013 Status:

Status: CANCELLED Effective Date: 07/01/2013

PSC NO: 1-GAS

COMPANY: KEYSPAN GAS EAST CORPORATION

STATEMENT TYPE: GAC

STATEMENT NO: 172

INITIAL EFFECTIVE DATE: 07/01/2013

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)

| Applicable to Service Classification Nos. | 1, 2, 3, 15, 16, 17 ¢ per therm |
|---|--|
| Weighted Average Unitized Commodity Cost of Gas | 33.7107 |
| 2. Weighted Average Unitized Fixed Costs | 29.2314 |
| Weighted Average Unitized Cost of Gas (1 + 2; Gross, before losses) | 62.9421 |
| 4. Unitized Fixed Cost Credits | (17.8127) |
| 5. Weighted Average Unitized Cost of Gas including Fixed Cost Credits (3 + 4) a) Before losses b) After 2.73% losses | 45.1294 46.3975 |
| 6. Adjustments a) Monthly Cost of Gas Imbalance Surcharge or (Refund) b) Annual Cost of Gas Imbalance Surcharge or (Refund) effective March 01, 2013 through December 31, 2013 referable to the twelve months ending August 31, 2012 c) Pipeline Refund Provision d) Research & Development Charge e) Merchant Function Charge (Effective October 1, 2012 to August 31, 2013) f) Annual Merchant Function Charge Imbalance Surcharge or (Refund) effective March 01, 2013 through December 31, 2013 referable to the twelve months ending August 31, 2012 | (5.0000) (0.1590) 0.0000 0.1280 2.3055 (0.0460) |
| Total adjustments | (2.7715) |
| 7. Total Unitized Cost of Gas (5 + 6) | 43.6260 |

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

Computation Date: June 27, 2013