

PSC NO: 12 GAS

LEAF: 70

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 4

INITIAL EFFECTIVE DATE: 11/03/06

SUPERSEDING REVISION: 3

STAMPS:

## GENERAL INFORMATION - Continued

**B. Monthly Cost of Gas for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3 and 21**

Pursuant to the Commission's Opinion No. 96-26 issued in Case 95-G-0761, the rates for gas service under Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3 and 21 shall include each month the Monthly Cost of Gas for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3 and 21. Such Monthly Cost of Gas will reflect an unaccounted for gas factor of adjustment ratio of 1.0373 and be rounded to the nearest .01 cent per therm.

The Projected Monthly Cost of Gas for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3 and 21 is the sum of (1) the Projected Monthly Commodity Cost of Gas with Hedging Costs/Credits per therm for such service classifications, **PLUS** (2) the Projected Monthly Fixed Cost of Gas with Credits per therm for such service classifications. The Projected Monthly Cost of Gas will be adjusted for the Unaccounted for Gas factor of adjustment ratio of 1.0373.

**1. The Projected Monthly Commodity Cost of Gas with Hedging Costs/Credits for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 shall be computed each month as follows:****a. Monthly Commodity Cost of Gas shall be computed as follows:**

- (i) Multiply the Suppliers' estimated unit gas commodity charges by the quantity of supply projected to be purchased in the Monthly Forecasted Firm and TC Dispatch, **PLUS**
- (ii) Multiply the average unit commodity cost of gas in storage at the date of computation by the quantities of gas projected to be withdrawn from storage in the Monthly Forecasted Firm and TC Dispatch, **PLUS**
- (iii) Multiply the Storage Providers' estimated effective Variable Rates and Fuel Losses by the quantity of gas projected to be withdrawn from storage, **PLUS**

Issued by: John J. Bishar, Jr., Executive Vice President, General Counsel, and Secretary, Brooklyn, NY