

PSC NO: 12 GAS

LEAF: 79.9

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 1

INITIAL EFFECTIVE DATE: 05/06/08

SUPERSEDING REVISION: 0

STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

GENERAL INFORMATION - Continued

6. Total Fixed Cost of Gas Recoveries = Total revenues from monthly fixed cost of gas charges during Gas Cost Year, net of associated revenue taxes.
7. Total Commodity Cost of Gas Recoveries = Total recoveries from Monthly Commodity Cost of Gas charges during Gas Cost Year, net of associated revenue taxes.
8. Total Hedging Costs/Credits Recoveries
Total Hedging Costs/Credits Recoveries during the Gas Cost Year.
9. Total Gas Credit Recoveries
Total Gas Credit Recoveries during the Gas Cost Year
10. Total Gas Recoveries = (6) + (7) + (8) - (9)
11. Total Imbalance Surcharge or Refund Recoveries =

Total revenues or refunds from Monthly Imbalance Surcharge or Refund charges during Gas Cost Year, net of associated revenue taxes \forall any net remaining prior year imbalance.

$$\text{Current Year Imbalance} = (5) - (10) + (11)$$

Divide result by forecast Gas Sales for twelve month period January 1 through December 31.

The determination period to be used in the computation of the surcharge or refund shall be the 12 months ended August 31 of each year. The surcharge or refund computation shall be filed with the Commission on or before October 15 of the calendar year before it is to become effective.

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