

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 05/06/08
STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

LEAF: 79.1
REVISION: 2
SUPERSEDING REVISION: 1

GENERAL INFORMATION - Continued

E. Monthly Cost of Gas for Service Classification No. 4B

Pursuant to the Commission's Opinion No. 96-26 issued in Case 95-G-0761, the rates for gas service under Service Classification No. 4B shall include each month the Monthly Cost of Gas for Service Classification No. 4B.

The Monthly Cost of Gas for Service Classification No. 4B shall be computed in advance of each Effective Month as the sum of: (1) the Projected Monthly Unit Commodity Cost of Gas per therm for Service Classification No. 4B **PLUS**, (2) the Projected Monthly Hedging Costs / Credits per therm for Service Classification No. 4B, **PLUS**, (3) the Projected Unitized Fixed Cost of Gas per therm for Service classification No. 4B **LESS**, (4) the Off-system Revenue Credits and Marketer Capacity Credits per therm for Service Classification No. 4B.

1. **The Projected Monthly Unit Commodity Cost of Gas** per therm for Service Classification No. 4B shall equal the Monthly Unit Commodity Cost of Gas per therm for Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 6C, 6G, 6M, 7, 14 and 21 as set forth on Leaf No. 75 multiplied by the Factor of Adjustment.
2. **The Projected Monthly Hedging Costs / Credits** per therm for Service Classification No. 4B shall equal the Projected Monthly Hedging Costs / Credits per therm for Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 as set forth on Leaf No. 75 multiplied by the Factor of Adjustment.
3. **The Projected Unitized Monthly Fixed Cost of Gas** per therm for Service Classification No. 4B shall be equal to 7.35 cents per therm.
4. **The Off-system Revenue Credits and Marketer Capacity Credits** per therm for Service Classification No. 4B shall equal the sum of Off-system Revenue Credits and Marketer Capacity Credits projected for the upcoming Gas Cost Year divided by the sum of the Company's Annual Forecasted Firm Sales and projected annual billed sales for Service Classification Nos. 4A, 4A-CNG and 4B.

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