

PSC NO: 1 GAS LEAF: 119.50
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 4
INITIAL EFFECTIVE DATE: 10/01/08 SUPERSEDING REVISION: 2
STAMPS: Issued in compliance with order in C. 06-G-1186 dated 12/21/07

GENERAL INFORMATION - Continued

System Benefits Charge

As of January 2008, and annually thereafter until the Commission orders otherwise, a System Benefits Charge (SBC) will recover costs associated with the Company's energy efficiency programs. Such costs, including program costs, lost revenue and performance-based incentives, are recoverable through the SBC pursuant to the Commission's Orders in Cases 06-G-1186 and 07-M-0548.

The Company will calculate the SBC by dividing the annual energy efficiency dollars, plus (minus) any over or undercollections from prior years, including carrying charges, by the projected volumes from the following firm service classifications: 1A, 1AR, 1B, 1BR, 1B-DG, 2A, 2B, 3, 5, 15, and 16.

Delivery Rate Adjustment

The Delivery Rate Adjustment (DRA) will apply to all customers being served under Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2A, 2B, 3, 5, 15, 16 and 17. The DRA will appear as a separate line item on the customer's bill.

The DRA will consist of a weather normalization adjustment applicable to certain heating customers (as explained on Leaf Nos. 78 and 79).

Issued by: Nick Stavropoulos, Executive Vice President, Hicksville, NY