Status: CANCELLED Effective Date: 10/01/2008

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PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 3

INITIAL EFFECTIVE DATE: 10/01/08

SUPERSEDING REVISION: 2

STAMPS: Issued in compliance with Order in Case 07-M-0548 dated June 23, 2008

GENERAL INFORMATION – Continued

47. <u>Delivery Rate Surcharge</u>

The Company shall develop a volumetric delivery rate surcharge for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1BI, 1B-DG, 2-1, 2-2, 3, 4A, 4A-CNG, 4B, 7, 14, 17-CTS-1A, 17-CTS-1AR, 17-CTS-1BR, 17-CTS-1BI, 17-CTS-1B-DG, 17-CTS-2-1, 17-CTS-2-2, 17-CTS-3, 17-CTS-4A, 17-CTS-4A-CNG, 17-CTS-4B, 17-CTS-7, 17-CTS-17, and 21. This surcharge will be calculated based upon the percentage of each the aforementioned service classification's contribution to total firm delivery revenues. Revenue from the delivery rate surcharge will be deferred and bear interest pursuant to the Commission's Orders in Case 06-G-1185.

The surcharges effective January 1, 2008 are listed below:

	<u>\$ per therm</u>
SC 1A SC 1AR, SC 17-CTS-1A, SC 17-CTS-1AR	\$0.0152
SC 1B, 1BR, 1BI, 1B-DG, SC 17-CTS-1B, SC 17-CTS-1BR	
SC 17-CTS-1BI, SC 17-CTS-1B-DG	\$0.0042
SC 2-1, SC 17-CTS-2-1	\$0.0026
SC 2-2, SC 17-CTS-2-2	\$0.0030
SC 3, SC 17-CTS-3	\$0.0023
SC 4A, SC 4A-CNG, SC 17-CTS-4A, SC 17-CTS-4A-CNG	\$0.0013
SC 4B, SC 17-CTS-4B	\$0.0027
SC 7, SC 17-CTS-7	\$0.0020
SC 14	\$0.0044
SC 21, SC 17-CTS-21	\$0.0000

48. <u>System Benefits Charge</u>

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-1185 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, 1BI, 1B-DG, 2-1, 2-2, 3, 4A, 4B, 7, 17-CTS 1A, 17-CTS 1AR, 17-CTS 1B, 17-CTS 1BR, 17-CTS 1BI, 17-CTS-1B-DG, 17-CTS 2-1, 17-CTS 2-2, 17-CTS 3, 17-CTS 4A, 17-CTS 4B, and 17-CTS 7.

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