

..DID: 6995

..TXT: PSC NO: 12 GAS

LEAF: 89.1

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0

INITIAL EFFECTIVE DATE: 04/01/99

SUPERSEDING REVISION:

STAMPS:

Cancelled by 1 Rev. Leaf No. 89.1 Effective 04/01/1999

RECEIVED: 02/01/99 STATUS: Cancelled EFFECTIVE: 04/01/99

GENERAL INFORMATION - Continued

39. B. Strandable Cost Surcharge

Any strandable capacity costs resulting from firm sales customers converting to firm transportation service on and after April 1, 1999 and not taking an assignment of the Company's capacity, will be collected from firm sales and firm transportation customers as a separate surcharge through the Gas Adjustment and the Transportation Adjustment, respectively. The surcharge will be as follows:

Strandable Cost Surcharge ("SCS") = $\frac{\$cap}{\text{Projected therms}}$ where

$\$cap = \frac{[tcap]}{[ucap]} * ([ucap\$] - \text{Capacity Release Credits ("CRC")})$

$ucap\$ =$ total Company capacity costs less capacity costs subject to recovery through the Company's rates and charges for offsystem sales.

$tcap =$ volume of Strand able capacity resulting form firm transportation customers converting to transportation and not taking assignment of the Company's capacity (dth).

$ucap =$ total Company capacity (dth) less capacity used by the Company for offsystem sales.

$CRC =$ capacity release credits associated with $tcap$.

Projected therms = annual projected firm sales and firm transportation volumes

The surcharge will become effective on the first day of the month in which Strandable costs are incurred. Surcharge collections will be subject to periodic reconciliation.

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