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COMPANY: MARKETSPAN GAS CORPORATION DBA BROOKLYN UNION INITIAL EFFECTIVE DATE: 12/01/98 SUPERSEDING REVISION:

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## GENERAL INFORMATION

## III. Adjustments of Rates and Charges (continued):

1--Adjustment of Rates in Accordance with Changes in the Cost of Gas and Pipeline Costs (continued):

Interruptible Sales Credit

The Interruptible Sales Credit is credited monthly to Service Classification Nos. 1, 2, 3, and 5 on the Statement of Gas and Pipeline Costs and Adjustments, for margins from Interruptible Service transactions.

- 1) The Credit is equal to the sum of the following:
  - Total annual interruptible throughput of 9,028,191 Dth as imputed by the Commission in Case No. 97-M-0567 multiplied by the actual average per therm acutal margins realized by the Company for such sales and transportation service; plus
  - b) Total ratepayer allocation of annual offsystem sales; less
  - Operating expenses equal to 0.1 cents per therm multiplied by C) the sum of the volumes used to compute (a) and (b) above.
- The credit is returned, with interest, by dividing the unrefunded balance by forecasted sales and transported quantities for the 12month period.
- Adjustments for Gas Costs
  - 1) Monthly Adjustment: A monthly adjustment to the cost of gas, if needed, is intended to equate the cost of gas to the Company with its recovery from Service Classification Nos. 1, 2, 3, and 5 Customers during the 12-month period ending August 31.
    - The computation of the monthly adjustment will consider:
      - Actual and projected gas costs and gas costs recoveries, and
      - ii) The difference between gas cost and gas cost recovery from the previous 12-month period projected to still re main unrecovered or unrefunded at the end of the current 12-month period.
      - The difference will be divided by the projected sales from Service Classification Nos. 1, 2, 3, and 5 for the remaining months in the 12-month period and included on the Statement of Gas and Pipeline Costs and Adjustments.

Issued by Kathleen A. Marion, Secretary 175 East Old Country Road, Hicksville, NY