

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 11/01/19
STAMPS: Issued in compliance with Order in Case 16-G-0059 dated February 7, 2019

LEAF: 138.54
REVISION: 8
SUPERSEDING REVISION: 6

GENERAL INFORMATION – Continued

51. Gas Safety and Reliability Surcharge

The Gas Safety and Reliability Surcharge (“GSRS”) would allow the Company to recover (i) a return on investment, depreciation expense and operations and maintenance expense associated with incremental replacement of leak prone pipe (“LPP”) above the levels funded in base rates, and (ii) the cost to repair system leaks in excess to the Company’s leak backlog targets.

The surcharge will be calculated by taking the revenue requirement for the incremental LPP and leak repair investment divided by firm sales and transportation volumes resulting in a per therm rate. The GSRS will be reconciled annually and included in the DRA recovered from SC 1, 2, 3, 4A, 4A-CNG, 4B, 7 and 21 firm sales customers and SC 17 firm transportation customers beginning the following April 1st. The GSRS will appear on the Statement of Gas Safety and Reliability Surcharge to be filed each March 15th.

52. Non-Firm Demand Response Revenue Reconciliation Surcharge

For the twelve months ending December 31, 2019, the Company will fully reconcile actual Non-Firm Demand Response revenues to \$73.004 million, which was the amount imputed in the revenue requirement.

An adjustment will be made to the revenue target above to remove forecast revenues for Non-Firm Demand Response customers that migrate to firm service. Any difference between actual and imputed revenues will be credited or surcharged to firm sales and firm transportation through the DRA for the 12-month period each March 1st.

Issued by: John Bruckner, President, Brooklyn, NY