

PSC NO: 12 GAS  
 COMPANY: THE BROOKLYN UNION GAS COMPANY  
 INITIAL EFFECTIVE DATE: 03/01/16  
 STAMPS:

LEAF: 79.10  
 REVISION: 2  
 SUPERSEDING REVISION: 1

## GENERAL INFORMATION - Continued

**Merchant Function Charge Annual Imbalance Surcharge or Refund**

C. Annual Gas Supply-Related Cost Surcharge or Refund for Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 6, 21 and Interruptible shall be computed as follows:

Compare: 1. Actual Gas Supply-Related Costs  
 to 2. Gas Supply-Related Cost Recoveries  
 ADD  
 3. Net remaining prior year imbalance.

1. Actual Gas Supply-Related Costs =  
 a. Gas Procurement and Commodity-Related Sales Promotion Expenses prorated for the Gas Cost Year, PLUS  
 b. Commodity-Related Credit and Collection Expenses prorated for the Gas Cost Year, PLUS  
 Total Actual Supply-Related Costs = a + b

2. Supply-Related Cost Recoveries =  
 Recoveries from Supply Related Costs during the Gas Cost Year, net of associated revenue taxes.

3. Gas Supply-Related Costs Imbalance Surcharge or Refund Recoveries =  
 Total revenues or refunds from the Gas Supply-Related Cost Imbalance Surcharge or Refund charges during Gas Cost Year, net of associated revenue taxes plus the prior year imbalance.

Issued by: Kenneth D. Daly, President, Brooklyn, NY