

PSC NO: 1 GAS LEAF: 73.2.1
 COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0
 INITIAL EFFECTIVE DATE: 03/01/16 SUPERSEDING REVISION:
 STAMPS:

GENERAL INFORMATION**H. Annual Gas Supply-Related Cost Surcharge or Refund for Service**

Classification Nos. 1, 2, 3, 9, 12, 15, 16 ,17 and Interruptible shall be computed as follows:

Compare: 1. Actual Gas Supply-Related Costs
 to 2. Gas Supply-Related Cost Recoveries
 PLUS 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,

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.

Current Year Imbalance = (1)-(2)+(3)

Divide result by the Company's estimated sales to Service Classification Nos. 1, 2, 3, 9, 12, 15, 16 ,17 and Interruptible for the twelve month period January 1 through December 31

The surcharge or refund computation shall be filed with the Commission on or before October 15 of the calendar year before it is to become effective.

Issued by: David B. Doxsee, Vice President, Hicksville, NY