PSC NO: 1 GAS LEAF: 78 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 5 INITIAL EFFECTIVE DATE: 03/01/16 SUPERSEDING REVISION: 3 STAMP:

GENERAL INFORMATION

III. Adjustments of Rates and Charges (continued):

4--Weather Normalization Adjustment

Applicability and Formula: The rates for gas service to all space heating customers under Service Classification Nos. 1, 2, 3, 5 and 16 shall be subject to a Weather Normalization Adjustment (WAF) to reflect the impact of degree day variations from normal levels, as determined on a revenue month basis, for the months of October through May, inclusive.

The Weather Adjustment Factor will be applied to the customer's total consumption for the billing cycle. A new Weather Adjustment Factor will be calculated for each billing cycle. The monthly volume deviation shall be computed for each billing period for which adjustment is made using the formula described below.

> WAF = M * DDF *[(NDD + or - (NDD*.022))-ADD] BL + (DDF * ADD) WNA R/S = (WAF) * (U)

Definitions:

- (a) M = Margin is the non-gas rate in dollars per therm. It equals the unit price of the rate block in which the customer's monthly delivery usage ended.
- (b) DDF = Average degree day factor in therms/heating degree day, is the estimated number of therms/heating degree day required to provide space heating for the average customer. DDF is determined separately for each customer classification and will be revised annually to reflect the temperature sensitivity reflected in the new throughput forecast. DDFs for the weather normalization period will be shown on the Statement of Weather Normalization Degree Day Factors and Base Loads.
- (c) NDD = Normal heating degree days. The normal heating degree days are calculated in the same manner as the actual heating degree days, but they are based on a 30 year average of daily high and low temperatures as of December 31, 2011.
- (d) ADD = Actual heating degree days. Degree days are calculated by subtracting the average daily temperature (sum of the daily high and the daily low divided by two) from 65 degrees F. The remainder is the number of degree days for the day. Heating degree days result when the remainder is a positive number, (i.e., when the average temperature is below 65.

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