

PSC NO: 1 GAS LEAF: 17.1
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 8
INITIAL EFFECTIVE DATE: 01/31/17 SUPERSEDING REVISION: 7
STAMPS: Issued in compliance with Order in C.16-G-0058 dated December 16, 2016

GENERAL INFORMATION**II. Rules and Regulations (continued):**

1--Definition of Terms (continued):

T (continued)

TC: Temperature Controlled Service provided to qualifying sales customers served under SC 12 and transportation customers served under SC 13.

Transition Costs: Transition costs are costs incurred by the Company from its interstate pipelines as a result of the implementation of Federal Energy Regulatory Commission (FERC) Order No. 636 and/or from customers transferring to non-core service or firm transportation service. These costs include, but are not limited to: unrecovered gas costs remaining from the pipeline's termination of sales service (Account 191), new facility costs incurred to implement FERC Order No. 636, gas supply realignment (GSR) and stranded facility costs, and stranded cost on the utility system from transfers to non-core service or to firm transportation service.

U

Unaccounted for Gas ("UFG"): see definition section under LAUF in Leaf 69.1

Uncollectible Expenses: Uncollectible expenses associated with gas supply are the product of the Uncollectible Rate and total gas costs.

Uncollectible Rate: 1.0593%

Upstream: From a reference point, any point located nearer to the origin of flow than the reference point.

Utility Deficiency: Any action or inaction by the Company or one of its authorized agents that does not substantially conform to the Rules and Regulations of 16 NYCRR, the Company's tariff, or the Company's written business procedures.

W

Weighted Average Cost of Capacity ("WACOC"): The unitized weighted average cost forecasted to be in effect for the upcoming month of: 1) the Company's Pipeline Transporters' Fixed Costs for firm domestic and unbundled Canadian pipeline transportation capacity used to deliver flowing gas supplies to the city gate, excluding transportation capacity used to deliver gas withdrawn from storage, plus 2) the fixed costs or basis premium of the Company's bundled city gate winter supply contracts. The WACOC will be updated as required to reflect changes to rates and prices.

Weighted Average Cost of Storage Capacity ("Storage WACOC") - the unitized weighted average cost of the Company's Fixed Costs for Storage Assets and the associated transportation assets to deliver gas withdrawn from storage to the Company's city gates, which will also include an allocation of the revenues/credits arising from asset management agreements equivalent to the ESCO customers' proportionate responsibility for the upstream storage services provided by the Company that is subject to the AMAs that result in the revenues/credits. The Company will also include any other revenues/credits that are associated with the ESCO customers' proportionate responsibility of upstream storage services provided by the Company. The Storage WACOC will be updated as required to reflect changes to underlying interstate pipeline and storage provider rates.

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