

PSC NO: 12 GAS

LEAF: 69

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 14

INITIAL EFFECTIVE DATE: 01/01/17

SUPERSEDING REVISION: 12

STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

## GENERAL INFORMATION - Continued

KEDLI's Factor of Adjustment: determined in accordance with KEDLI's tariff to gross up KEDLI's deliveries.

KEDLI's Monthly Forecasted Firm Sendout: KEDLI's estimated firm customer requirements for the upcoming month which are the sum of (1) KEDLI's estimated sales to SC 1, 2, 3, 9, 15, 16 and 17 sales customers, **plus** (2) KEDLI's estimated sales to ESCOs serving SC 5 transportation customers. All of the above quantities are multiplied by KEDLI's Factor of Adjustment.

KEDLI's Monthly Forecasted TC Sendout: KEDLI's estimated sales for the upcoming month to SC 12 sales customers multiplied by KEDLI's Factor of Adjustment.

Lead – Lag Rate: the rate derived by dividing the average number of days associated with the lag on customer payments for gas costs that is not offset by the lead on purchased gas expense divided by the number of days in the year. Effective January 1, 2017, Lead Lag rate is 8.79%.

Lost and Unaccounted for Gas ("LAUF")

Actual LAUF is computed by subtracting total metered system deliveries from total metered system receipts and dividing that difference by total metered system deliveries.

1. Effective January 1, 2017  
The LAUF Target is set at 2.273%  
The LAUF Dead Band Upper Limit is set at 3.273%  
The LAUF Dead Band Lower Limit is set at 1.273%
2. Effective January 1, 2018  
The LAUF Target is set at 1.902%  
The LAUF Dead Band Upper Limit is set at 2.676%  
The LAUF Dead Band Lower Limit is set at 1.127%
3. Effective January 1, 2019  
The LAUF Target is set at 1.530%  
The LAUF Dead Band Upper Limit is set at 2.079%  
The LAUF Dead Band Lower Limit is set at 0.981%

Issued by: Kenneth D. Daly, President, Brooklyn, New York