PSC NO: 12 GASLEAF: 79.9.1COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 1INITIAL EFFECTIVE DATE: 01/01/17SUPERSEDING REVISION:STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

GENERAL INFORMATION - Continued

B. Mid-Year Adjustment to Annual Cost of Gas Imbalance Surcharge or Refund

A mid-year adjustment to the Annual Cost of Gas Imbalance Surcharge or Refund will be implemented, as required, each March 1st for the remainder of the calendar year for sales customers taking service under SC 1, 2, 3, 4A, 4A-CNG, 4B 7 and 21.

The mid-year adjustment will include an adjustment for principal and interest estimated to be recovered under the currently effective Annual Cost of Gas Imbalance Surcharge or Refund during January and February of the current year.

The Company will file its calculation of the updated Annual Cost of Gas Imbalance Surcharge or Refund with the Commission on or before each February 15th as required. The updated Annual Cost of Gas Imbalance Surcharge or Refund will be set forth on the Statement of Monthly Cost of Gas and Adjustments not less than two business days prior to March 1st.

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