Status: CANCELLED Received: 12/30/2016 Effective Date: 01/01/2017

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 20
INITIAL EFFECTIVE DATE: 01/01/17

SUPERSEDING REVISION: 19
STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

GENERAL INFORMATION – Continued

47. Site Investigation and Remediation (SIR) Recovery Surcharge

The forecast rate allowance of SIR costs will be included in base delivery rates. Beginning January 1, 2018, to the extent that the difference between actual SIR expense (inclusive of Gowanus Canal and Newtown Creek) and the forecast rate allowance exceeds \$25 million on a cumulative basis, the Company will implement a surcharge to collect or credit the difference. The surcharge will be calculated annually and is limited to an amount no greater than two percent of the Company's prior year's aggregate revenues. The SIR recovery surcharge will include (i) the difference between actual SIR expense in the prior rate year and (ii) any amount that was not recovered in the prior rate year's SIR Recovery Surcharge because the cumulative difference between actual SIR costs and the forecast rate allowance did not exceed the \$25 million threshold and/or the amount would have increased the Company's aggregate revenues by more than two percent. The SIR will be included in the DRA recovered from SC 1, 2, 3, 4A-CNG, 4B, 7 and 21 firm sales customers and SC 17 firm transportation customers The SIR will appear on the Statement of Site Investigation and Remediation Recovery Surcharge

48. System Benefits Charge:

A System Benefits Charge (SBC) recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA) and energy efficiency programs implemented by the company. The SBC is collected from the following service classifications: 1A, 1AR, 1B, 1BR, 1BI, 1B-DG, 2-1, 2-2, 3, 4A, 4B, 7, 17-CTS 1A, 17-CTS 1AR, 17-CTS 1B, 17-CTS 1BI, 17-CTS 2-1, 17-CTS 2-2, 17-CTS 3, 17-CTS 4A, 17-CTS 4B, and 17-CTS 7.

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