

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

INITIAL EFFECTIVE DATE: 01/01/14

STAMPS:

LEAF: 77.1

REVISION: 0

SUPERSEDING REVISION:

GENERAL INFORMATION – Continued

- 3) Off-system Revenue Credits projected for the upcoming Gas Cost Year

The share of Projected Fixed Cost Credits allocated to firm sales customers taking service under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3,4A, 4A-CNG, 4B and 21 is proportionate to the Projected Unitized Fixed Cost of Gas of each service classification.

- c) **Projected Unitized Gas Cost Credits** per therm

The Company will determine the Projected Annual Unitized Fixed Cost Credits per therm for firm sales customers taking service under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3,4A, 4A-CNG, 4B and 21 by dividing: 1) the share of Projected Fixed Cost Credits allocated to the firm sales service classification by; 2) the forecasted annual sales for the corresponding service classification and then dividing by; 3) the Factor of Adjustment.

5. The Monthly Cost of Gas for Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3 and 21 = (1) + (2) + (3) – (4c).

C. Monthly Cost of Gas for Service Classification No. 4A

Pursuant to the Commission's Opinion No. 96-26 issued in Case 95-G-0761, the rates for gas service under Service Classification No. 4A shall include each month the Monthly Cost of Gas for Service Classification No. 4A.

The Monthly Cost of Gas for Service Classification No. 4A shall be computed in advance of each Effective Month as the sum of: (1) the Projected Monthly Unit Commodity Cost of Gas per therm for Service Classification No. 4A **PLUS**, (2) the Projected Monthly Hedging Costs / Credits per therm for Service Classification No. 4A **PLUS**, (3) the Projected Unitized Fixed Cost of Gas per therm for Service classification No. 4A **LESS**, (4) the Projected Unitized Fixed Cost Credits per therm for Service Classification No. 4A.

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