

PSC NO: 12 GAS

LEAF: 406.2

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 7

INITIAL EFFECTIVE DATE: 11/01/14

SUPERSEDING REVISION: 6

STAMPS:

**SERVICE CLASSIFICATION No. 19 – continued****F. CORE MONTHLY BALANCING PROGRAM - continued****2. City Gate Balancing**

Each day, Seller or Seller's Agent shall nominate and schedule deliveries of gas to the Company's city gate in an amount equal to the Seller's Core DDQ.

- a) In the event that the total quantity of gas delivered to the city gate is less than the Seller's Core DDQ, Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus a City Gate Balancing Penalty Charge of \$10.00 per dekatherm multiplied by the difference between (i) the Seller's Core DDQ for such day and (ii) the total quantity of gas delivered by Seller to the Company on such day. However, when the Company issues an OFO, the Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus an OFO Penalty Charge equal to \$25.00 per dekatherm.
- b) In the event that the total quantity of gas delivered to the city gate is more than the Seller's Core DDQ, and the Company at its discretion accepts the gas, the Company shall pay Seller a per therm amount equal to the Company's Daily Cash Out Price multiplied by the difference between (i) the quantity of gas delivered by Seller to the Company on such day and (ii) Seller's Core DDQ for such day.

**3. Monthly Imbalance Account**

At the end of each month, the Company will determine the balance in each Seller's Monthly Imbalance Account.

- a) The Company will first determine the total difference between the: 1) sum of the Seller's Core DDQs for the month and 2) the actual monthly consumption grossed up for LAUF of the Seller's Pool.
- b) The Company will then perform an end-of-month weather true-up adjustment to account for the difference between actual and forecasted outside daily temperatures during the month and the impact of this temperature difference on the Seller's total monthly delivery quantity. The weather true-up adjustment will be handled as a net increase or decrease to the Seller's Tier 2 Retail Access Storage inventory balance.

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