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PSC NO: 12 GAS LEAF: 427.4 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 7 INITIAL EFFECTIVE DATE: 11/01/14 SUPERSEDING REVISION: 5

STAMPS:

SERVICE CLASSIFICATION NO. 20 (Continued)

A. DEFINITIONS (continued)

NYISO - The New York Independent System Operator.

<u>Reconciliation Charge</u> - The Reconciliation Charge is an adjustment that will be made prospectively for any Value Added Charge over/under collected. This charge is the difference between the sum of the Value Added Charges billed to the Customer in the Calendar Year and the Customer's Actual Value Added Charge in the Calendar Year.

<u>Spark Spread</u> – The difference between the Market Electric Price and the Fuel Cost of Generation expressed in \$/Mwh.

<u>System Losses</u> – System losses for electric generators will be defined as 1% unless otherwise defined in negotiated contact. The Company reserves the right to petition the Public Service Commission for permission to change such percentage factor in the event it determines that a change is required to more accurately reflect system use and losses.

<u>Test Year</u> - For the Effective Period beginning January 1, 2006, the Test Year is December 1, 2004 through November 31, 2005. Thereafter, the Test Year will be the Calendar Year.

Transporter - A pipeline transporting gas to the Company for redelivery for Customer's account.

<u>Value Added Charge</u> – A unitized per dekatherm rate, derived from the increase from the Base Year Spark Spread to the Test Year Spark Spread, adjusted for prior period Reconciliation Charges.

B. APPLICABLE TO USE OF TRANSPORTATION SERVICE FOR:

Any dual-fuel electric generator having generation capacity of at least fifty (50) Megawatts applying on or after May 18, 1999 for non-core natural gas transportation service for their electric generation (NCTEG) equipment for a term of (5) years is eligible. This Service Classification does not apply to electric generation customers receiving service prior to May 18, 1999 during the term of such customers' existing contracts. Natural gas transportation service for any requirement other than electric generation, such as ignition gas, space heating, etc., whether or not separately metered, does not qualify for service under this Service Classification.

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