

PSC NO: 12 GAS

LEAF: 69

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 11

INITIAL EFFECTIVE DATE: 09/01/14

SUPERSEDING REVISION: 10

STAMPS:

GENERAL INFORMATION - Continued

KEDLI's Annual Forecasted Interruptible Sendout: the estimated sales during the Gas Cost Year to sales customers served under SC 4 multiplied by KEDLI's Factor of Adjustment.

KEDLI's Factor of Adjustment: determined in accordance with KEDLI's tariff to gross up KEDLI's deliveries.

KEDLI's Monthly Forecasted Firm Sendout: KEDLI's estimated firm customer requirements for the upcoming month which are the sum of (1) KEDLI's estimated sales to sales customers served under SC 1, 2, 3, 15, 16 and 17, **plus** (2) KEDLI's estimated quantities of Tier 2 Bundled Winter Sales, Tier 3 Virtual Storage Service and balancing services to be delivered to transportation customers served under SC 5. All of the above quantities are multiplied by KEDLI's Factor of Adjustment.

KEDLI's Monthly Forecasted TC Sendout: KEDLI's estimated sales for the upcoming month to sales customers served under SC 12 multiplied by KEDLI's Factor of Adjustment.

Lead – Lag Rate: the rate derived by dividing the average number of days associated with the lag on customer payments for gas costs that is not offset by the lead on purchased gas expense divided by the number of days in the year. 8.45% for bi-monthly purposes and 5.08% for monthly purposes.

Lost and Unaccounted for Gas ("LAUF")

1. Through August 31, 2013
The LAUF Target is set at 2.34%.
Actual LAUF is computed by subtracting the losses established by contract for non-firm power generation customers from system losses, and then dividing the difference by all sendout except for those customers.
2. Effective September 1, 2013
The LAUF Target is set at 1.53%
The LAUF Dead Band Upper Limit is set at 2.079%
The LAUF Dead Band Lower Limit is set at 0.981%
Actual LAUF is computed by subtracting total metered system deliveries from total metered system receipts and dividing that difference by total metered system deliveries.

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