PSC NO: 1 GAS LEAF: 73.1 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 3 INITIAL EFFECTIVE DATE: 04/01/15 SUPERSEDING REVISION: 2 STAMPS: Issued in compliance with order in Case 14-G-0214 dated 12/15/14

GENERAL INFORMATION

- 1. Total Actual Fixed Cost of Gas
 - a) Actual suppliers, transporters and storage providers fixed rates and charges, **PLUS**
 - b) Any other fixed charges for the Gas Cost Year,

Total Actual Fixed Cost of Gas with Credits = (a) + (b)

- 2. Total Actual Commodity Costs
 - a) Actual Commodity Cost of Flowing Gas PLUS
 - b) Actual Commodity Cost of gas withdrawn from storage or LNG vaporized, PLUS
 - c) All other actual allowable fees and charges associated with purchase of gas.

Total Actual Commodity Cost of Gas = (a) + (b) + (c)

- 3. Total Actual Hedging Costs / Credits
- 4. Total Actual Gas Credits
 - a) Actual Service Classification No. 12 billed sales multiplied by 4.60 cents per therm, **PLUS**
 - b) Actual Off-system Revenue Credits, PLUS
 - c) Actual Marketer Capacity Program Credits, PLUS
 - Actual transportation revenues realized from power generation customers served under Service Classification Nos. 7 and 14, PLUS

Issued by: David B. Doxsee, Vice President, Hicksville, NY