

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 01/01/15
STAMPS: Issued in compliance with Order in Case 13-G-0439 dated December 16, 2014

LEAF: 74
REVISION: 10
SUPERSEDING REVISION: 9

GENERAL INFORMATION – Continued

B. The Monthly Cost of Gas

Pursuant to the Commission's October 28, 2005 Order in Case 05-G-0903, gas is purchased on a combined basis for the Company and KEDLI (collectively, “the Companies”). The Monthly Cost of Gas will be determined based upon the Company’s allocated share of commodity and fixed gas costs and computed as the sum of the: 1) Average Commodity Cost of Gas; 2) Average Monthly Hedging Costs / Credits and 3) Average Fixed Cost of Gas Less 4) Average Fixed Cost Credits multiplied by: 5) the Factor of Adjustment.

1. Average Commodity Cost of Gas

In advance of each month, the Company will determine the Average Commodity Cost of Gas applicable to sales customers served under SC 1, 2, 3, 4A, 4A-CNG, 4B, 6, 7, 14 and 21 based on the Monthly Forecasted Firm and TC Dispatch,

a) The Total Commodity Cost of Gas will be computed by:

- 1) Multiplying the Suppliers’ and Pipeline Transporters’ Variable Charges by the quantities of gas supply projected to be purchased and delivered to the city gate under the Monthly Forecasted Firm and TC Dispatch, **PLUS**
- 2) Multiplying the sum of: 1) the average unit commodity cost of gas in storage at the date of computation and 2) the Storage Providers’ Variable Charges; by 3) the quantities of storage projected to be withdrawn and delivered to the city gate under the Monthly Forecasted Firm and TC Dispatch, **PLUS**
- 3) All other Commission-approved variable fees and charges associated with the dispatch of gas

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