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March 13, 2020

Honorable Michelle L. Phillips, Secretary  
Secretary  
New York State Department of Public Service  
Three Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223-1350

**RE: CASE 06-G-1185 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of The Brooklyn Union Gas Company d/b/a National Grid NY– Revenue Decoupling Mechanism**

**CASE 16-G-0059 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of The Brooklyn Union Gas Company d/b/a National Grid NY**

Dear Secretary Phillips:

In accordance with the Commission’s “Order Concerning Proposed Revenue Decoupling Mechanism” (Order 1) dated December 22, 2009 in Case 06-G-1185 and “Order Adopting Terms of Joint Proposal and Establishing Gas Rate Plans” (Order 2) dated December 16, 2016 in Case 16-G-0059, The Brooklyn Union Gas Company d/b/a National Grid NY (the “Company”) hereby submits:

Statement No. 12 – Statement of Revenue Decoupling Mechanism  
Statement No. 24 – Statement of System Benefits Charge  
Schedule to Gas Service, P.S.C. No. 12-GAS  
Effective Date: May 1, 2020

Order 1 approved the Joint Proposal (“JP”) filed by the Company on September 25, 2009 to implement a Revenue Decoupling Mechanism for SC1B (JP Section VI.1.B) . Order 2 approved the continuation of the SC1B Revenue Decoupling Mechanism and the implementation of a Revenue Decoupling Mechanism for SC2 and SC3 (JP Section IV.3.10 and Section IV.6.1.11) . The Company is submitting its Revenue Decoupling Mechanism Reconciliation for SC1B (Attachment A), a “Customer Count Proxy Analysis” for SC1B (Attachment B), and its Revenue Decoupling Mechanism Reconciliation for SC2 and SC3 (Attachment C).

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The calendar year 2019 SC1B reconciliation shows an under-recovery of the anticipated Allowed Delivery Service Revenues of \$18,894,463.50, including interest. The RDM reconciliation of calendar year 2017 resulted in an under-collection of \$401,384.47 including interest. This results in a total reconciliation of \$19,295,847.97, including interest and a Revenue Decoupling Mechanism factor surcharge of \$0.0249/therm. The surcharge will be included in the Delivery Rate Adjustment for Service Classification Nos. 1B, 1BR, 17-1B and 17-1BR effective May 1, 2020.

The SC1 Customer Count Proxy Analysis compares 30-day equivalent bills to the average annual number of residential heating customers measured by open and active meters. This comparison results in a 2% difference in the customer counts.

The calendar year 2019 SC2 reconciliation shows an over-recovery of the anticipated Allowed Delivery Service Revenues of \$2,834,623.80, including interest. The RDM reconciliation of calendar year 2017 resulted in an under-collection of \$575,524.92 including interest. This results in a total reconciliation of \$2,259,098.88, including interest and a Revenue Decoupling Mechanism factor credit of \$0.0077/therm. The credit will be included in the Delivery Rate Adjustment for Service Classification Nos. 2A, 2B, 5-2A and 5-2B effective May 1, 2020.

The calendar year 2019 SC3 reconciliation shows an under-recovery of the anticipated Allowed Delivery Service Revenues of 5,781,158.04, including interest. The RDM reconciliation of calendar year 2017 resulted in an under-collection of \$749,543.62 including interest. This results in a total reconciliation of \$6,530,701.66, including interest and a Revenue Decoupling Mechanism factor surcharge of \$0.0178/therm. The surcharge will be included in the Delivery Rate Adjustment for Service Classification Nos. 3A, 3B, 5-3A and 5-3B effective May 1, 2020

In addition, the Company will be updating its System Benefits Charge ("SBC") to recover lost revenues plus interest from all non-RDM service classifications. The lost revenues plus interest associated with energy efficiency programs for the period January through December 2019 for non-RDM service classifications totaled \$154,430, including interest. The resultant SBC factor applicable to all non-RDM service classifications, effective May 1, 2020 is \$0.0117/therm. The workpaper detailing this adjustment to the SBC factor is contained in Attachment D.

Please contact the undersigned if you have questions or require further information.

Respectfully Submitted,

*/s/ Dawn M. Herrity*

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Enclosures