



March 14, 2014

Honorable Kathleen H. Burgess  
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**

Dear Secretary Burgess:

In accordance with the Commission's "Order Concerning Proposed Revenue Decoupling Mechanism" dated December 22, 2009 in the above-captioned proceeding, The Brooklyn Union Gas Company d/b/a National Grid NY (the "Company") hereby submits:

Statement No. 6 – Statement of Revenue Decoupling Mechanism  
Schedule to Gas Service, P.S.C. No. 12-GAS  
Effective Date: May 1, 2014

The Order approved the Joint Proposal ("JP") filed by the Company on September 25, 2009 to implement a Revenue Decoupling Mechanism. In compliance with the JP, Section VI.1.B., the Company is submitting its Revenue Decoupling Mechanism Reconciliation (Attachment A). Additionally, the Company is submitting a "Customer Count Proxy Analysis" (Attachment B) as directed by JP, Section VI.3.

The reconciliation shows an underage of the anticipated Allowed Delivery Service Revenues of \$5,336,508.02, including interest. The RDM reconciliation of 2011 resulted in a \$3,838,046.63, including interest, surcharge to customers. The reconciliation of this period collection shows an undercollection of \$588,277.01, including interest. This results in a total reconciliation of \$5,924,785.03, including interest, and a Revenue Decoupling Mechanism factor surcharge of \$0.0095/therm. The surcharge will be included in the Delivery Rate Adjustment for Service Classification Nos. 1B, 1BR, 1BI, 17-1B, 17-1BR, and 17-1BI effective May 1, 2014.

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The 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 Company has, in previous filings, updated its System Benefits Charge (“SBC”) to recover lost revenues plus interest for all firm service classifications, excluding the residential heating class, pursuant to the JP, Section VI.2.A. However, the Company has determined that there has been an error in the therm savings used to calculate lost revenues for installed energy efficiency measures. The Company will file an updated SBC Statement, along with any prior period adjustments, after it has determined the correct measure savings to be used for this calculation. The Company will make this filing no later than May 15, 2014 to become effective June 1, 2014.

Please contact the undersigned at (718) 403-2975 or [Dawn.Herrity@nationalgrid.com](mailto:Dawn.Herrity@nationalgrid.com) if you have questions or require further information.

Yours truly,

*/s/ Dawn M. Herrity*

Dawn M. Herrity  
Manager, NY Gas Pricing

Enclosures

cc: Active Parties – Case 06-G-1185

## The Brooklyn Union Gas Company d/b/a National Grid NY - Case 06-G-1185

	<u>Annual Calc</u>	<u>Forecast Thruput May 1, 2014 - April 30, 2015</u>	<u>Rate Per Dth</u>	<u>Rate Per Therm</u>
		Dth		
SC 1 Residential Heating				
Target Revenue Per Customer	\$ 661.59			
Actual Number of Customers	562,878			
Actual Delivery Revenue	\$ 367,180,803.37			
Actual Revenue Per Customer	\$ 652.33			
RPC Variance (Target - Actual)	\$ 9.27			
Variance times Customers	\$ 5,215,834.28			
Dollars to be Collected	\$ 5,215,834.28			
Interest on CY 2013 Balance	\$ 120,673.75			
CY 2013 Balance	\$ 5,336,508.02			
CY 2011 Under-recovery	\$ 555,888.25			
Interest on CY 2011 Recovery	\$ 32,388.76			
CY 2011 Imbalance	\$ 588,277.01			
Total Dollars to be Surcharged/ (Credited)	\$ 5,924,785.03	62,690,844	\$ 0.0945	\$ 0.0095

Note: Actual number of customers was adjusted to reflect customers that were backbilled final due to Sandy

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	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
EQB 30 day	604,300	566,383	551,904	575,619	592,885	574,706	578,938	584,206	577,200	543,713	560,492	593,937	575,357
O&A Meters	561,671	563,121	563,976	563,014	562,071	561,481	560,903	560,815	561,360	563,077	565,434	567,643	562,881
													12,476
													2%

Note: Does not reflect adjustment due to Sandy