..DID: 8554

THE BROOKLYN UNION GAS COMPANY One MetroTech Center Brooklyn, NY 11201

May 6, 1999

Hon. Debra Renner Acting Secretary Public Service Commission Three Empire State Plaza Albany, NY 12223

Re: Case No. 27611 - Temporary Metropolitan Business Tax Surcharge

Dear Acting Secretary Renner:

Enclosed for filing electronically is the following statement issued by The Brooklyn Union Gas Company to become effective June 1, 1999:

Statement No. 3, Revenue Tax and Surcharges, to the Schedule for Gas Service, P.S.C. No. 12-GAS.

This filing is made pursuant to both the Commission's Order adopted February 9, 1983 in the aforementioned proceeding authorizing the initial recovery of the Temporary Metropolitan Business Tax Surcharge and the subsequent orders approving various extensions of the surcharge.

As per General Information Leaf No. 92, a reconciliation adjustment is required when the revenues produced by the surcharge are greater than plus or minus 0.5% than the tax expense incurred. During the period April 1, 1998 through March 31, 1999, Brooklyn Union undercollected this tax expense by \$1,616,079. Therefore, an adjustment is necessary to be effective for a period of nine months beginning June 1, 1999. To reflect this undercollection, the MTA Surcharge will be increased by .225% for this nine month period. The total MTA Surcharge effective June 1, 1999 will be 1.001%.

Respectfully submitted,
THE BROOKLYN UNION GAS COMPANY
By:

RRW:NCC:dh

Enc.