



April 18, 2011

Honorable Jaclyn A. Brillling  
Secretary  
State of New York  
Public Service Commission  
Three Empire Plaza  
Albany, New York 12223

**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 KeySpan Energy Delivery New York – Revised Revenue Decoupling Mechanism**

Dear Secretary Brillling:

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

Statement No. 2 – Statement of Revenue Decoupling Mechanism  
Schedule to Gas Service, P.S.C. No. 12-GAS  
Effective Date: May 1, 2011

On March 15, 2011, the Company filed its Revenue Decoupling Mechanism compliance filing with the Commission. After discussions with Staff, it was determined that a revision to the RDM surcharge was necessary.

The revised Revenue Decoupling Mechanism Reconciliation shows a shortfall of the anticipated Allowed Delivery Service Revenues of \$7,074,622.37, including interest (Attachment A). The original lost revenues plus interest associated with energy efficiency programs for residential heating for the period August 2007 through December 2009 (prior to the inception of revenue decoupling in January 2010) in the amount of \$187,041.07 has not changed. This results in a reconciliation of \$7,261,663.44 and a revised Revenue Decoupling Mechanism factor surcharge of \$.0105 per 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, 2011.

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

Yours truly,

Dawn Herrity  
Lead Analyst

Enclosures

cc: Active Parties – Case 06-G-1185