

THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY
One MetroTech Center
Brooklyn, NY 11201

December 28, 2012

Honorable Jaclyn A. Brilling, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brilling:

Pursuant to Title 16 of the State of New York Official Compilation of Codes, Rules and Regulations ("16 NYCRR") Section 720, The Brooklyn Union Gas Company d/b/a/ National Grid NY ("the Company") hereby files the following statements which will take effect on **January 1, 2013**:

Statement of Gas and Pipeline Costs and Adjustments No. 172 which sets forth the gas cost adjustments applicable to monthly usage under Service Classification Nos. 1A, 1AR, 1B, 1BR, 1BI, 1B-DG, 2-1, 2-2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 of PSC No. 12-GAS.

Statement of Transportation Adjustment Charges No. 40 which sets forth the transportation cost adjustments applicable to monthly usage under Service Classification Nos. 17-1A, SC17-1AR, SC17-1B, SC17-1BI, SC17-1BR, SC17-2-1, 17-2-2, SC17-3, SC17-4A, SC17-4A-CNG, SC17-4B, SC17-7, and SC17-21 of PSC No. 12-GAS.

In addition, the following tiered floor prices will take effect on **January 1, 2013** unless otherwise revised by a supplemental filing to account for major changes in gas prices and supplies, as follows:

\$3.9650/dth for sales to Service Classification Nos. 5A.

\$3.9489/dth for sales to Service Classification Nos. 6C, 6G, and 6M.

The first tier price of \$3.9650/dth represents the Company's incremental cost of gas to serve S.C. No. 5A plus an allowance for unaccounted for gas.

The second tier price of \$3.9489/dth represents the Company's firm weighted average cost of gas to serve S.C. No. 6C, 6G and 6M customers plus an allowance for lost-and unaccounted-for-gas and an allocated demand charge.

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The Company reserves the right to revise the floor price, as may be necessary to reflect significant changes in the components of this calculation. In addition, the Company fully intends to reflect the current floor price on the Statement of Standard Offer Price - S.C. 5A as filed with the Commission.

Questions pertaining to this filing may be directed to Amy Wisner at (315) 428-5880.

Sincerely,

Melissa Nairn
Principal Analyst, Gas Pricing

ASW/Attachment