

PSC NO: 12-GAS**STATEMENT TYPE: GAC****COMPANY: THE BROOKLYN UNION GAS COMPANY****STATEMENT NO: 71****INITIAL EFFECTIVE DATE: 0701/04****STATEMENT OF COST OF GAS AND ADJUSTMENTS
(Issued under authority of 16 NYCRR 281.55 and 281.56)****Page 1 of 4****Applicable to Usage Under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 2, 3 and 21 of PSC No. 12-GAS****Monthly Cost of Gas**

Monthly cost of gas per therm as defined on General Information Leaf No. 68 of PSC No. 12-GAS determined on June 29, 2004 by applying the Monthly Cost of Gas which is or will be in effect on the effective date of the gas adjustment 74.70 4

Gas Adjustments

74.70 X 1.0373 unaccounted for factor adjustment
The resulting gas adjustment per therm of gas is 77.49 4

Adjustment per therm of gas sold, pursuant to order in Case 97-G-1380 dated March 24, 1999:

Amount applicable during **July 2004** referable to transition surcharge 0.00 4

Transition surcharge revenue 0.00 4

Adjustment per therm of gas sold, pursuant to Refund Provisions on General Information Leaf No. 84 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to refunds (0.00) 4

Adjustment per therm of gas sold pursuant to Cost of Gas Imbalance Surcharge or Refund Provisions on General Information Leaf No. 75 of PSC No. 12-GAS:

Amount applicable during **July 2004** referable to imbalance surcharge/refund (5.00) 4

Amount applicable during the period January **01, 2004** through **December 31, 2004** referable to the imbalance for the year ending August 31, 2003 between gas adjustment revenues and gas costs (4.72) 4

Adjustment per therm of gas sold pursuant to Pipeline Transition Costs on General Information Leaf No. 86 of PSC No. 12-GAS:

Amount applicable during the period January **1, 2004** through December 31, **2004** referable to imbalance/refund 0.00 4

Amount applicable during the period July 01, 2004 through December 31, **2004** referable to Transition Costs for the projected twelve month period ending December **31, 2004** 0.00 4

Adjustment per therm of gas sold pursuant to Research & Development Surcharge on General Information Leaf No. 90 of PSC No. 12-GAS:

Amount applicable during the period July 01, 2004 through **April 30, 2004** referable to Research and Development Surcharge 0.12 4

TOTAL ADJUSTMENTS (9.60) 4

Commencing with usage on or after the effective date of this statement and thereafter until changed the Monthly Cost of Gas and Adjustments per therm of gas applicable to Billings under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 2, 3 and 21 of PSC No. 12-GAS will be: 67.89 4

STATEMENT OF COST OF GAS AND ADJUSTMENTS
Applicable to Usage Under Service Classification No. 4A of PSC No. 12-GAS

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Monthly Cost of Gas

Monthly cost of gas per therm as defined on General Information Leaf No. 68 of PSC No. 12-GAS determined on June 29, 2004 by applying the Monthly Cost of Gas which is or will be in effect on the effective date of the gas adjustment 62.50 4

Gas Adjustments

62.50 X 1.0373 unaccounted for factor adjustment
 The resulting gas adjustment per therm of gas is 64.83 4

Adjustment per therm of gas sold, pursuant to Refund Provisions on General Information Leaf No. 84 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to refunds (0.00) 4

Adjustment per therm of gas sold pursuant to Cost of Gas Imbalance Surcharge or Refund Provisions on General Information Leaf No. 75 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to imbalance surcharge/refund (5.00) 4

Amount applicable during the period July 01, 2004 through **December 31, 2004** referable to the imbalance for the year ending August 31, 2003 between gas adjustment revenues and gas costs (4.72) 4

Adjustment per therm of gas sold pursuant to Pipeline Transition Costs on General Information Leaf No. 86 of PSC No. 12-GAS:

Amount applicable during the period March 1, 2004 through Dec. 31, 2004 referable to imbalance/refund 0.00 4

Amount applicable during the period July 01, 2004 through December 31, 2004 referable to Transition Costs for the projected twelve month period ending January 31, 2005 0.00 4

Adjustment per therm of gas sold pursuant to Research & Development Surcharge on General Information Leaf No. 90 of PSC No. 12-GAS:

Amount applicable during the period July 01, 2004 through **March 31, 2004** referable to Research and Development Surcharge 0.12 4

TOTAL ADJUSTMENTS (9.60) 4

Commencing with usage on or after the effective date of this statement and thereafter until changed the Monthly Cost of Gas and Adjustments per therm of gas applicable to Billings under Service Classification No. 4A of PSC No. 12-GAS will be: 55.23 4

STATEMENT OF COST OF GAS AND ADJUSTMENTS
Applicable to Usage Under Service Classification No. 4B of PSC No. 12-GAS

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Monthly Cost of Gas

Monthly cost of gas per therm as defined on General Information Leaf No. 68 of PSC No. 12-GAS determined on June 29, 2004 by applying the Monthly Cost of Gas which is or will be in effect on the effective date of the gas adjustment 65.47 4

Gas Adjustments

65.47 X 1.0373 unaccounted for factor adjustment
 The resulting gas adjustment per therm of gas is 67.91 4

Adjustment per therm of gas sold, pursuant to Refund Provisions on General Information Leaf No. 84 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to refunds (0.00) 4

Adjustment per therm of gas sold pursuant to Cost of Gas Imbalance Surcharge or Refund Provisions on General Information Leaf No. 75 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to imbalance surcharge/refund (5.00) 4

Amount applicable during the period July 01, 2004 through **December 31, 2004** referable to the imbalance for the year ending August 31, 2003 between gas adjustment revenues and gas costs (4.72) 4

Adjustment per therm of gas sold pursuant to Pipeline Transition Costs on General Information Leaf No. 86 of PSC No. 12-GAS:

Amount applicable during the period January 01, 2004 through Dec. 31, 2004 referable to imbalance/refund 0.00 4

Amount applicable during the period January 01, 2004 through December 31, 2004 referable to Transition Costs for the projected twelve month period ending December 31, 2004 0.00 4

Adjustment per therm of gas sold pursuant to Research & Development Surcharge on General Information Leaf No. 90 of PSC No. 12-GAS:

Amount applicable during the period July 01, 2004 through **April 30, 2004** referable to Research and Development Surcharge 0.12 4

TOTAL ADJUSTMENTS (9.60) 4

Commencing with usage on or after the effective date of this statement and thereafter until changed the Monthly Cost of Gas and Adjustments per therm of gas applicable to Billings under Service Classification No. 4B of PSC No. 12-GAS will be: 58.31 4

STATEMENT OF COST OF GAS AND ADJUSTMENTS
Applicable to Usage Under Service Classification Nos. 7 and 14 of PSC No. 12-GAS

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Monthly Cost of Gas

Monthly cost of gas per therm as defined on General Information Leaf No. 68 of PSC No. 12-GAS determined on June 29, 2004 by applying the Monthly Cost of Gas which is or will be in effect on the effective date of the gas adjustment 58.38 4

Gas Adjustments

58.38 x 1.0373 unaccounted for factor adjustment
 The resulting gas adjustment per therm of gas is 60.56 4

Adjustment per therm of gas sold, pursuant to Refund Provisions on General Information Leaf No. 84 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to refunds (0.00)4

Adjustment per therm of gas sold pursuant to Cost of Gas Imbalance Surcharge or Refund Provisions on General Information Leaf No. 75 of PSC No. 12-GAS:

Amount applicable during July 2004 referable to imbalance surcharge/refund (5.00) 4

Amount applicable during the period July 01, 2004 through **December 31, 2004** referable to the imbalance for the year ending August 31, 2003 between gas adjustment revenues and gas costs (4.72) 4

Adjustment per therm of gas sold pursuant to Pipeline Transition Costs on General Information Leaf No. 86 of PSC No. 12-GAS:

Amount applicable during the period January **01, 2004** through December **31, 2004** referable to imbalance/refund 0.00 4

Amount applicable during the period July 01, 2004 through December 31, **2004** referable to Transition Costs for the projected twelve month period ending December **31, 2004** 0.00 4

Adjustment per therm of gas sold pursuant to Research & Development Surcharge on General Information Leaf No. 90 of PSC No. 12-GAS:

Amount applicable during the period July 01, 2004 through **April 30, 2004** referable to Research and Development Surcharge 0.12 4

TOTAL ADJUSTMENTS (9.60) 4

Commencing with usage on or after the effective date of this statement and thereafter until changed the Monthly Cost of Gas and Adjustments per therm of gas applicable to Billings under Service Classification Nos. 7 and 14 of PSC No. 12-GAS will be: 50.96 4

Issued by John J. Bishar, Jr., Senior Vice President, General Counsel and Secretary, Brooklyn, NY