

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

INITIAL EFFECTIVE DATE: 10/03/04

STATEMENT TYPE: NGV

STATEMENT NO: 74

STATEMENT OF NGV RATES
Applicable to Usage Under Service Classification No. 14 (Rate 2 and 3)
of P.S.C. No. 12-GAS

GASOLINE**I. Base Rate**

The equivalent gallon gasoline price set at the final expiration settling price of the **October 2004** New York Harbor Unleaded Gasoline futures contract plus \$.20 per gallon

Cents per
Equivalent Gallon**Cents per**
Therm

154.44

120.66

II. Discounted Rates

Customers who have guaranteed that compressed natural gas will comprise at least 80% of the estimated annual fuel usage of its NGVs will receive a **15%** discount during **October 2004**

131.27

102.56

Customers who have not guaranteed usage will receive a **5%** discount during **October 2004**

146.72

114.62

DIESEL**I. Base Rate**

The equivalent gallon gasoline price set at the final expiration settling price of the **October 2004** New York Harbor Heating Oil futures contract plus \$.20 per gallon

159.17

124.35

II. Discounted Rates

Customers who have guaranteed that compressed natural gas will comprise at least 80% of the estimated annual fuel usage of its NGVs will receive a **15%** discount during **October 2004**

135.29

105.70

Customers who have not guaranteed usage will receive a **5%** discount during **October 2004**

151.21

118.13

FLOOR PRICE

Cost of Gas, as determined by the Company
 Estimated Compressor Electric Running Costs

\$5.29 per Dth
 \$1.00 per Dth

Total Floor Price

80.56

6.290

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