Received: 04/07/2003 Status: CANCELLED Effective Date: 04/08/2003

PSC NO: 12 GAS

STATEMENT TYPE: COC

COMPANY: THE BROOKLYN UNION GAS COMPANY STATEMENT NO: 56

INITIAL EFFECTIVE DATE: 04/08/03

STATEMENT OF UNBUNDLED TRANSPORTATION SERVICE CASH OUT CHARGES

Applicable for Cash Out Billings from March 1, 2003 through March 31, 2003 Applicable to usage under Service Classification Nos. 16, 17 and 18 of PSC No. 12-GAS

MONTHLY AVERAGE COMMODITY

COST OF GAS

PRICE PER DTH: \$8.3316

ACTUAL MONTHLY INCREMENTAL

COST OF GAS INCLUDING DEMAND CHARGES

PRICE PER DTH: \$11.1938

DAILY COMMODITY

COST OF GAS

PRICE PER DTH: \$8.3316

DAILY INCREMENTAL

COST OF GAS INCLUDING DEMAND CHARGES

RICE PER DTH: \$11.1938***

*** For the Following Dates The Daily Incremental Cost of Gas is:

March 1, 2003 \$16.3800 March 2, 2003 \$16.3800 March 3, 2003 \$16.3800 March 4, 2003 \$11.7500 March 6, 2003 \$12.1150

Issued by: Richard A. Rapp, Jr., Vice President, Deputy General Counsel and Secretary, Brooklyn, NY