Received: 01/02/2002 Status: CANCELLED Effective Date: 01/03/2002

..DID: 18041

..TXT: PSC NO: 12 GAS STATEMENT TYPE: NGV

COMPANY: THE BROOKLYN UNION GAS COMPANY STATEMENT NO: 41

INITIAL EFFECTIVE DATE: 01/03/02

STAMPS:

Cancelled by Statement NGV Number 42 Effective 02/06/2002

RECEIVED: 01/02/02 STATUS: Cancelled EFFECTIVE: 01/03/02

STATEMENT OF NGV RATES

Applicable to Usage Under Service Classification No. 14 (Rate 2 and 3) of P.S.C. No. 13-GAS

GASC I.	DLINE Base Rate The equivalent gallon gasoline price set at the final expiration settling price of the January 2002 New York Harbor Unleaded Gasoline futures contract plus \$.20 per gallon	Cents per Equivalent Gallon 77.25	Cents per Therm
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 January 2002	65.66	51.30
	Customers who have not guaranteed usage will receive a 5% discount during January 2002	73.39	57.33
<u>DIESE</u> I.	EL Base Rate The equivalent gallon gasoline price set at the final expiration settling price of the January 2002 New York Harbor Heating Oil futures contract plus \$.20 per gallon	75.07	58.65
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 January 2002	63.81	49.85
	Customers who have not guaranteed usage will receive a 5% discount during January 2002	71.32	55.72
FLOO	OR PRICE Cost of Gas, as determined by the Company Estimated Compressor Electric Running Costs	3.31 dth \$1.00 per Dth	
	Total Floor Price	55.17	43.10

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