Status: CANCELLED Effective Date: 02/01/2012

PSC NO: 12 GAS LEAF: 175
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 12
INITIAL EFFECTIVE DATE: 02/01/12 SUPERSEDING REVISION: 11
STAMPS: Issued in compliance with order in Case 11-G-0411 dated January 10, 2012

SERVICE CLASSIFICATION No. 5A - Continued

Character of Service

For service to a delivery point within the Company's service territory, the Company will provide gas to the Customer that contains not less than 975 Btu, on a dry basis, per cubic foot at a pressure of not less than four inches of water column gauge, as measured at the Customer's end of the service line. For service to a delivery point outside the Company's service territory under Rate Schedule 2, the Company will provide gas of a quality and at a pressure and heat value content conforming to either the Company's specifications or the specifications of the Company's pipeline transporter.

Service under this service classification is interruptible. In the event that the Company calls on peaking assets to supplement supply to meet high demand or for isolated distribution system reliability reasons in excess of four hours (other than for LNG plant idling or cooling or for system testing), or if the Company, at its sole discretion, determines that it is warranted to protect the reliability and safety of the system for firm Customers, the Company will interrupt service to Customers on this service classification. The Company will endeavor to provide notification (within two hours) of a scheduled interruption. Upon receipt of such notice, the Customer shall curtail or discontinue use of gas as instructed by the Company (see Special Provisions).

Rate Schedule 1:

Not less than two business days prior to the date on which the statement is proposed to be effective, the Company will file with the Public Service Commission a rate for Customers taking standard offer price service under this service classification. The Company will, at its sole discretion, set the rate per therm at a level which is no less than the Company's Incremental Cost of Gas (Interruptible Floor Price) plus the Incremental State Assessment Surcharge applicable to SC 5A. The Interruptible Floor Price shall be updated as necessary within the Effective Month, to account for any higher price gas supplies that are actually dispatched to serve the Service Classification No. 5A. In addition, an annual price cap will apply in compliance with the Commission's orders in Case 06-G-1185 and Case 09-M-0311. The annual price cap calculation will compare, as a class, actual S.C. 5A revenues versus what those revenues would have been under Service Classification No. 2 – General – Heating plus the Incremental State Assessment Surcharge applicable to SC 5A. If during any month the Interruptible Floor Price is higher than the published Monthly Cost of Gas for S.C. 2-2, an adjustment to the annual price cap is permissible.

Issued by: Kenneth D. Daly, President, Brooklyn, NY