Received: 08/05/2011

Status: CANCELLED Effective Date: 11/01/2011

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0
INITIAL EFFECTIVE DATE: 11/01/11

SUPERSEDING REVISION: STAMPS: Issued in compliance with Order in C. 06-G-1185 dated 01/19/2010

SERVICE CLASSIFICATION No. 19 – continued

2) The Seller has a negative daily imbalance that exceeds -5% then:

The Seller's negative daily imbalance quantity will be purchased by the Seller at the following daily cash out prices:

0 to -5%	Daily Cash Out Price
>-5% to -10%	105% of the Daily Cash Out Price
>-10% to -15%	110% of the Daily Cash Out Price
>-15% to -20%	120% Of the Daily Cash Out Price
>-20%	150% of the Daily Cash Out Price

3) The Seller has a positive daily imbalance:

The Seller's positive daily imbalance quantity will be transferred to his Monthly Imbalance Account.

4. Monthly Imbalance Account

At the end of each month, the Company will determine the balance in each Seller's Monthly Imbalance Account. The balance will reflect: 1) any portion of the Seller's daily imbalance not subject to daily cash out and 2) any difference between the total monthly usage actually billed to the Seller's Pool grossed up for UFG and the sum of the Pool's daily telemetered consumption volumes grossed up for UFG.

Issued by: Alan P. Foster, Senior Vice President and Controller, Brooklyn, NY