PSC NO: 12 GASLEAF: 406.6COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 0INITIAL EFFECTIVE DATE: 11/01/11SUPERSEDING REVISION:STAMPS: Issued in compliance with Order in C. 06-G-1185 dated 01/19/2010

SERVICE CLASSIFICATION No. 19 – continued

- b) If there is a System Wide Positive Imbalance such that the Aggregate Daily Imbalance Percentage Exceeds the 5% DIT and
 - 1) The Seller has a positive daily imbalance that is less than 5% then:

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

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

The Seller's positive daily imbalance quantity shall be credited to the Seller at the following daily cash out prices:

0 to 5%	Daily Cash Out Price
>5% to 10%	95% times the Daily Cash Out Price
>10% to 15%	90% times Daily Cash Out Price
>15% to 20%	80% times the Daily Cash Out Price
>50%	50% times the Daily Cash Out Price

3) The Seller has a negative daily imbalance:

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

- c) If there is a System Wide Negative Imbalance such that the Aggregate Daily Imbalance Percentage Exceeds the -5% DIT and
 - 1) The Seller has a negative daily imbalance that is less than -5% then:

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

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