

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

LEAF: 408
REVISION: 6
SUPERSEDING REVISION: 5

SERVICE CLASSIFICATION No. 19 – continued

The cost of the Tier 3 – Virtual Storage Service Supply Seller shall pay each month shall be computed by multiplying: 1) the Tier 3 –Virtual Storage Service Supply per dekatherm price by 2) the Tier 3 DDQ by 3) the number of days each month.

Sellers that do not meet the creditworthiness guidelines (as defined in the Uniform Business Practices) will be required to prepay for the Virtual Storage Service Supply prior to the month of the sale. The prepayment must be made by wire transfer or ACH payment no later than three (3) business days prior to the last day of the month proceeding the month for which the virtual storage service is to be purchased. The prepayment will be calculated by taking the product of 0.9 times the estimated delivered cost of the Virtual Storage Service Supply as described above. The prepayment amount will be trued up when actual costs are available and any adjustment will be made in the succeeding bill period.

J. OPERATIONS AND COMMUNICATIONS

1. Gas Delivery Nomination Procedures

The Gas Delivery Nomination Procedures for all Sellers or Sellers' Agents comply with FERC requirements and are described in the Company's Gas Transportation Operating Procedures Manual, Section IV and Section V, as filed with the Public Service Commission.

2. Communications Protocols

The Communications Protocols for all Sellers or Sellers' Agents are described in the Company's Gas Transportation Operating Procedures Manual, Section VII, as filed with the Public Service Commission.

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