

PSC NO: 12 GAS LEAF: 406.8
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

H. MONTHLY IMBALANCE TRADING AND MONTHLY CASH OUT

Effective December 1, 2011, pursuant to Sections IV and V of the GTOP Manual, all Sellers will have the opportunity to reduce the balance in their Monthly Imbalance Accounts by trading monthly imbalances with other Sellers who have opposing monthly imbalance positions provided that: 1) Sellers that serve SC 17 customers are limited to trading among themselves, 2) Sellers that serve SC 18 customers and participate in the Company's Monthly Balancing Program are limited to trading among themselves and 3) Sellers that serve SC 18 customers and participate in the Company's Daily Balancing Program are limited to trading among themselves.

Once monthly imbalance trading is completed, any remaining Monthly Imbalances will be cashed out as follows:

1. Negative Monthly Imbalances will be purchased by the Seller at the Monthly Cash Out Price.
2. Positive Monthly Imbalances will be credited to the Seller at the Monthly Cash Out Price.

I. MANDATORY CAPACITY PROGRAM

Sellers serving customers taking service under SC 17 must participate in the Company's Mandatory Capacity Program subject to the terms and conditions of this Service Classification and the Company's GTOP Manual. Sellers serving customers taking service under SC 18 are not eligible to participate in the Company's Mandatory Capacity Program. The Mandatory Capacity Program consists of three capacity tiers: 1) Tier 1 - Capacity Release ; 2) Tier 2 - Bundled Winter Sales Service and 3) Tier 3 – Virtual Storage Service.

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