Status: CANCELLED Effective Date: 11/01/2011

PSC NO: 12 GAS LEAF: 400.1 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

A. DEFINITIONS - continued

The interstate pipeline gas prices used to compute the Daily Cash Out Price are obtained from Platt's Gas Daily Price Guide, Daily Price Survey for date of flow as follows:

Transco – Transco Zone 6 NY mid-point price Texas Eastern – Tx. Eastern M3 mid-point price Iroquois – Iroquois Zone 2 mid-point price Tennessee – Tx Eastern M3 mid-point price

Daily Imbalance Quantity – Applicable to Sellers participating in the Company's Daily Balancing Program. The Daily Imbalance Quantity represents the difference between the quantity of gas the Seller delivers to the city gate for the pool and the telemetered daily consumption grossed up for UFG of the pool. A negative daily imbalance results when the pool consumes more gas than is delivered. A positive daily imbalance results when the pool consumes less gas than is delivered.

Daily Imbalance Tolerance (DIT) — Equal to +/- 5%. Applicable to Sellers participating in the Company's Daily Balancing Program. The DIT is calculated by subtracting: 1) the telemetered daily consumption grossed up for UFG of the Seller's pool from: 2) the quantity of gas the Seller delivers to the city gate for the pool and dividing this difference by: 3) the telemetered daily consumption grossed up for UFG of the pool.

Energy Service Company (ESCO) - An entity eligible to sell natural gas to the Company's transportation customers served under Service Classification Nos. 17 and 18. ESCOs may also sell other energy supplies and energy related services to customers.

Gas Year – The 12-month period beginning November 1st and ending October 31st of each year.

GTOP Manual – Gas Transportation Operating Procedures Manual.

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