Status: CANCELLED Effective Date: 11/01/2011

PSC NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 7

INITIAL EFFECTIVE DATE: 11/01/11

SUPERSEDING REVISION: 6

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

SERVICE CLASSIFICATION No. 19 – continued

2.. Unitized Fixed Cost Credits

Unitized Fixed Cost Credits are applicable to Sellers serving transportation customers served under Service Classification No. 17. The Unitized Fixed Cost Credits are determined in accordance with General Information Leaf Nos. 76 and 77 and specifically include: a) credits from sales to customers served under Service Classification 6C, 6G and 6M; b) credits from sales customers served under Service Classification 4A; c) credits from sales customers served under Service Classification 4A-CNG; d) credits from sales customers served under Service Classification 4B; e) transportation revenues from power generators served under Service Classification Nos. 18 and 20; and f) daily swing service monthly demand charge credits from ESCOs providing service to SC 18 non core transportation customers

3. Daily Cash Out Prices

Applicable to Sellers participating in either the Company's Monthly Balancing Program or Daily Balancing Program.

4. Daily Cash Out Penalties

Applicable to Sellers participating in the Company's Monthly Balancing Program.

City Gate Balancing Penalty Charge

The City Gate Balancing Penalty Charge is equal to \$10.00 per dekatherm and is charged on any day that the total quantity of gas delivered to the city gate by the Seller is less than 98% of the Seller's DDQ

Operational Flow Order ("OFO") Penalty Charge

The Operational Flow Order Penalty Charge is equal to \$25.00 per dekatherm and is charged to Sellers on any day the Company issues an OFO and the total quantity of gas delivered to the city gate by the Seller is less than 98% of the Seller's DDQ.

5. Monthly Cash Out Prices

Applicable to Sellers participating in either the Company's Monthly Balancing Program or Daily Balancing Program.

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