PSC NO: 12 GAS LEAF: 180.1 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 6 INITIAL EFFECTIVE DATE: 11/01/11 SUPERSEDING REVISION: 5 STAMPS:

SERVICE CLASSIFICATION NO. 5A - Continued

2. Waiver of Standby Fuel Requirement:

The Company may, in its sole discretion, grant an express waiver of the standby fuel requirements under this service classification where the customer does not have available an easily convertible dual fuel option and is willing to have gas service interrupted as otherwise provided in the service agreement.

For Customers who have not been granted this waiver:

Whenever the Company becomes aware that the Customer's equipment is incapable of switching to an alternate fuel and/or that the Customer does not have a reasonable amount of fuel on hand considering the time in the heating season, the Company will notify the Customer within forty-eight (48) hours that the violation must be corrected within ten (10) calendar days. It will be the responsibility of the Customer to contact the Company and provide proof that the violation has been corrected. However, this will not apply if the Customer has previously stipulated in writing that the Customer is willing and able to shut down during periods of interruption.

Customers that receive notice from the Company regarding inadequate standby fuel and/or equipment failure that fail to supply the Company with such proof will be subject to the higher of the variable rate equal to the greater of 130% of the No. 2 oil gas equivalent price (as published in the Journal of Commerce) or 130% of their otherwise applicable variable sales rate ("non-compliance charge"). For customers taking Interruptible Transportation service, the non-compliance charges will be 130% of the applicable month's posted Interruptible Transportation Rate, SC 18-IT. Such non-compliance charge, which will be subject to all applicable utility taxes and surcharges, will be in lieu of the otherwise applicable variable rate and will be effective for the billing period during which non-compliance becomes known, and for any subsequent periods until the Customer provides the Company with satisfactory proof that the violation has been corrected. Customers subject to this higher variable rate continue to be subject to all terms and conditions of this Service Classification. If a non-compliance charge is assessed in the same period that an Unauthorized Use Charge is assessed, the Customer's bill will not include consumption charged under the "Unauthorized Use Charge."

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