

PSC NO: 12 GAS

LEAF: 227.2

COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0

INITIAL EFFECTIVE DATE: 11/01/11

SUPERSEDING REVISION:

STAMPS:

SERVICE CLASSIFICATION No. 6M - Continued**Non-Compliance Charges:**

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 Temperature Controlled Transportation service, the non-compliance charges will be 130% of the applicable month's posted Temperature Controlled Transportation Rate, SC 18-TC. 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."

Termination:

Notwithstanding any other provisions or requirements of this Service Classification, if a Customer fails to maintain the dual-fuel equipment or associated control devices, regardless of ownership, in proper working order; or interferes in any manner with the operation of such devices; or interferes with or hinders in any manner the Company's rights of access, metering and inspection; or otherwise violates any provision of this Service Classification, the Company will have the absolute right to terminate the gas service provided for hereunder. Any customer terminated for non-compliance with this Service Classification will not be permitted to return to this Rate Schedule until the end of the following winter season.

Charge for Late Payment:

A late payment charge at the rate of one and one half percent (1½%) per month will be applied to the accounts of all Customers, except state agencies, taking service under this Service Classification. The charge will be applied to all amounts billed, including arrears, and unpaid late payment charge amounts applied to previous bills, that are not received by the Company on or before the date specified on the bill. The date so specified will not be less than 20 days after the last day of each billing period. Service to state agencies will be rendered in accordance with the provisions of Article XI-A of the State Finance Law (Chapter 153 of the Laws of 1984, effective July 1, 1984). Notwithstanding the foregoing, the Company reserves the right to discontinue service and/or to take any other action permitted by law with respect to any Customer who fails to make full and timely payment of all amounts due the Company, including amounts due for late payment charges hereunder.

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