

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 08/01/09
STAMPS: Issued in compliance with order in Case 06-G-1185 dated June 23, 2009

LEAF: 406.4
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION No. 19 – continued

1. Tier 1 - Capacity Release

Subject to the conditions described below, the Company will release interstate pipeline capacity to the Seller or Seller's Agent each month of the Gas Year. The amount of interstate capacity released, the "Tier 1 Capacity Release Volume", will be set at 75% of the estimated November daily load grossed up for UFG of the Seller's pool at the start of the Gas Year. The Company will release interstate pipeline capacity on the "Selected Pipelines" as specified in the Company's GTOP Manual. As the Gas Year progresses, the Company will recalculate the equivalent November daily load grossed up for UFG of the Seller's pool each month to reflect any increase or decrease in the number or demand of customers in the pool and adjust the Tier 1 Capacity Release Volume accordingly. If the Tier 1 Capacity Release Volume is insufficient to fully meet the requirements of the Seller's pool during the summer months of May through October, the Company will increase the Tier 1 Capacity Release Volume each summer month, as required, to match the estimated load of the pool grossed up for UFG. The Tier 1 capacity released on the Selected Pipelines will be at the Selected Pipelines' maximum rates. The Seller or Seller's Agent is responsible for all fixed and variable costs associated with the released capacity. The Seller or Seller's Agent is obligated to deliver gas to the Company for the Seller's customers as required by the Company's tariff. The Seller or Seller's agent is required to meet all obligations required by the Selected Pipelines under their respective tariffs.

2. Tier 2 - Bundled Winter Sales Service

The Company will provide a Tier 2 Bundled Winter Sales Service from November through March (and April, as required) that is equal to the Seller's Tier 2 Daily Delivery Quantity ("Tier 2 DDQ"). The Tier 2 DDQ will be set at 25% of the estimated November daily load grossed up for UFG of the Seller's pool at the start of the Gas Year. As the Gas Year progresses, the Company will recalculate the equivalent November daily load grossed up for UFG of the Seller's pool each month to reflect any increase or decrease in the number or demand of customers in the pool and adjust the Tier 2 DDQ accordingly.

Issued by: Kenneth D. Daly, Chief Financial Officer, Brooklyn, New York