

PSC NO: 12 GAS

LEAF: 175

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 10

INITIAL EFFECTIVE DATE: 09/02/10

SUPERSEDING REVISION: 9

STAMPS:

SERVICE CLASSIFICATION No. 5A - Continued

Character of Service

For service to a delivery point within the Company's service territory, the Company will provide gas to the customer that contains not less than 975 Btu, on a dry basis, per cubic foot at a pressure of not less than four inches of water column gauge, as measured at the customer's end of the service line. For service to a delivery point outside the Company's service territory under Rate Schedule 2, the Company will provide gas of a quality and at a pressure and heat value content conforming to either the Company's specifications or the specifications of the Company's pipeline transporter.

Service under Rate Schedule 1 is interruptible. Service under Rate Schedule 2 may either be firm or interruptible. Interruptible service will be interrupted at the option of the Company after not less than two hours' notice (by telephone or otherwise) to the customer. Upon receipt of such notice, the customer shall curtail or discontinue use of gas as instructed by the Company (see Special Provisions). Specific conditions of interruption, if any, will be set forth in the customer's service agreement.

Rate Schedule 1:

Not less than two business days prior to the date on which the statement is proposed to be effective, the Company will file with the Public Service Commission a rate for customers taking standard offer price service under this service classification. The Company will, at its sole discretion, set the rate per therm at a level which is no less than the Company's Incremental Cost of Gas (Interruptible Floor Price) plus the Incremental State Assessment Surcharge applicable to SC 5A. The Interruptible Floor Price shall be updated as necessary within the Effective Month, to account for any higher price gas supplies that are actually dispatched to serve the Service Classification No. 5A. In addition, an annual price cap will apply in compliance with the Commission's orders in Case 06-G-1185 and Case 09-M-0311. The annual price cap calculation will compare, as a class, actual S.C. 5A revenues versus what those revenues would have been under Service Classification No. 2 – General – Heating plus the Incremental State Assessment Surcharge applicable to SC 5A. If during any month the Interruptible Floor Price is higher than the published Monthly Cost of Gas for S.C. 2-2, an adjustment to the annual price cap is permissible.

Issued by: Andrew F. Sloey, Chief Financial Officer, Brooklyn, NY