

PSC NO: 12 GAS

LEAF: 197

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 5

INITIAL EFFECTIVE DATE: 11/03/06

SUPERSEDING REVISION: 4

STAMPS:

**SERVICE CLASSIFICATION No. 6C - Continued****Rate Schedule 1:**

Customers whose annual weather normalized usage is less than 10,000 dth

A monthly minimum charge of \$189.76 for the first 10 therms consumed will be applied to each customer under this rate schedule. No later than three days prior to the end of each month, the Company will file with the Public Service Commission a unit commodity rate per therm applicable to all sales exceeding the minimum consumption of 10 therms per month, to become effective on the first day of the following month. The Company will, at its sole discretion, set the rate per therm at a level that is no less than the Company's Incremental Cost of Gas as filed with the Public Service Commission. A separate rate will be posted for customers who demonstrate to the Company's satisfaction that they are exempt from payment of the New York State (NYS) Petroleum Business Tax (PBT) for fuel oil consumption.

The No. 6 oil, .3% sulfur gas equivalent price and the No. 2 oil gas equivalent price shall be determined, respectively, by using the average of the New York Harbor barge consumer price per barrel of No. 6 oil, .3% sulfur and the average of the New York Harbor barge consumer price per gallon of No. 2 oil (plus any petroleum related taxes applicable to commercial or industrial use) as published in the Journal of Commerce, on the date of computation of the rate. The per barrel price for No. 6 oil, .3% sulfur is derived by dividing the per barrel price by 42 and then converting to an equivalent Btu heat content value price per therm by multiplying the result of that division by a conversion factor of .6954; the per gallon price for No. 2 oil is converted to an equivalent Btu heat content value price per therm by multiplying by a conversion factor of .72. The monthly rate per therm set for Rate Schedule 1 shall not be lower than the monthly rate per therm set for Rate Schedule 2.

Issued by: John J. Bishar, Jr., Executive Vice President, General Counsel, and Secretary, Brooklyn, NY