

PSC NO: 12 GAS

LEAF: 67

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 8

INITIAL EFFECTIVE DATE: 11/03/06

SUPERSEDING REVISION: 7

STAMPS:

## GENERAL INFORMATION - Continued

Gas Supply Management Arrangement - a transaction where the Company releases or assigns all or a part of the Company's capacity rights to a third party as part of a comprehensive agreement. Under such an arrangement, the third party satisfies all or a portion of the gas supply and/or transportation and related service requirements of identified sales and/or transportation customers as may be agreed to between the Company and any such third party or as may be required by the Commission.

Hedging Costs / Credits – Risk Management Costs and gains and losses resulting from transactions undertaken to manage volatility in gas commodity prices.

Lead – Lag Percentage – the percentage derived by dividing the average number of days associated with the lag on customer payments for gas costs that is not offset by the lead on purchased gas expense divided by the number of days in the year.

Margin Revenues – Revenues net of applicable gas costs, Hedging Costs/Credits, variable transportation costs, storage withdrawal costs and all other variable fees and charges associated with the purchase or sale of gas

Monthly Forecasted Firm Sendout - The Company's estimated customer requirements during the Effective Month which is the sum of estimated sales for customers served under Service Classification Nos. 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 and services to transportation customers served under Service Classifications Nos. 17-1A, 17-1AR, 17-1B, 17-1BR, 17-2, 17-3, 17-4A, 17-4A-CNG, 17-4B, 17-7, 17-14 and 17-21 and associated Unaccounted for Gas during the Effective Month

Monthly Forecasted TC Sendout - The Company's estimated customer requirements during the Effective Month which is the sum of estimated sales for customers served under Service Classification Nos. 6C, 6G and 6M and associated Unaccounted for Gas during the Effective Month

Monthly Forecasted Firm and TC Sendout - The sum of the Monthly Forecasted Firm Sendout and the Monthly Forecasted TC Sendout.

Monthly Forecasted Firm and TC Dispatch - The specific gas supply sources the Company plans to purchase to serve Monthly Forecasted Firm and TC Sendout during the Effective Month.

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