Status: CANCELLED Effective Date: 05/06/2008

PSC NO: 12 GAS LEAF: 369
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 2
INITIAL EFFECTIVE DATE: 05/06/08 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

SERVICE CLASSIFICATION No. 18 - Continued

Daily Commodity Cost of Gas - The Company's daily commodity cost per therm of gas delivered to the city gate facilities from the Company's suppliers on such day. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

Daily ICOG - The daily incremental cost of gas will be determined for each day of the Effective Month and is the higher of 1) the Gas Daily Transco Zone 6 New York daily mid-point price; 2) the Gas Daily Texas Eastern M-3 daily mid-point price; 3) the Gas Daily Iroquois Zone 2 daily mid-point price; 4) the highest daily 100% load factor priced gas (including both commodity and demand costs) dispatched each day of the Effective Month. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

NCT Service Agreement - The agreement between the Company and Customer to provide service under this Service Classification, the form of which is included in this Schedule for Gas Service.

Transporter - An interstate pipeline transporting gas owned by Customer to the Company for the Customer's account.

Load Profile Factor - The Customer's maximum month's normalized consumption, divided by the minimum month's consumption minus one, all calculated as per Company records. The minimum load profile will never be less than one; the maximum load profile will never be greater than eight.

Monthly Average Commodity Cost of Gas - The Company's weighted average commodity cost per therm of gas delivered to the city gate facilities from the Company's suppliers for the month. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

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