PSC NO: 12 GAS LEAF: 69 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 9 INITIAL EFFECTIVE DATE: 05/06/08 SUPERSEDING REVISION: 8 STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

GENERAL INFORMATION - Continued

KEDLI's Annual Forecasted Interruptible Sendout: the estimated sales during the Gas Cost Year for customers served under Service Classification No. 4 multiplied by the applicable Factor of Adjustment.

KEDLI's Monthly Forecasted Firm Sendout: KEDLI's estimated firm customer requirements during the Effective Month which are the sum of (1) KEDLI's estimated sales for customers served under Service Classification Nos. 1, 2, 3, 15, 16 and 17, **plus** (2) KEDLI's estimated quantities of Tier 2 Bundled Winter Sales, Tier 3 Virtual Storage Service and balancing services to be delivered to transportation customers under Service Classification No. 5. All of the above quantities are to be multiplied by the applicable Factor of Adjustment.

KEDLI's Monthly Forecasted TC Sendout: KEDLI's estimated TC customer requirements during the Effective Month which are the estimated sales for customers served under Service Classification No. 12 multiplied by the applicable Factor of Adjustment.

Lead – Lag Rate: the rate 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. 8.45% for bi-monthly purposes and 5.08% for monthly purposes.

Marketer Capacity Program Credits: shall be determined in advance of the Gas Cost Year based on the Company's estimated annual fixed gas cost credits realized from: 1) Tier 1 capacity releases; 2) Tier 2 Bundled Winter Sales and 3) Tier 3 Virtual Storage Service provided to direct customers/marketers of the Company's transportation customers under Service Classification Nos. 17-1A, 17-1AR, 17-1B, 17-1BI, 17-1BR, 17-2, 17-3, 17-4A, 17-4A-CNG, 17-4B, 17-7, 17-14 and 17-21. These credits shall be credited one hundred percent to the Projected Annual Fixed Cost of Gas applicable to the Company's sales customers under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B and 21.

Merchant Function Charge: the sum of the following gas supply related unit costs: (1) Gas Procurement and Commodity-Related Sales Promotion Expenses, (2) Commodity-Related Credit and Collection Expenses, (3) Uncollectible Expenses Associated with Gas Costs, (4) Return Requirement on Gas Purchase-Related on Working Capital, and (5) Return Requirement on Gas in Storage.

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