

PSC NO: 12 GAS

LEAF: 62

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 2

INITIAL EFFECTIVE DATE: 11/01/07

SUPERSEDING REVISION: 1

STAMPS: Issued in compliance with Order in Case 06-G-0059 dated August 23, 2007

## GENERAL INFORMATION - Continued

6. Notwithstanding the foregoing curtailment priorities, in the event (a) a force majeure condition threatens to impair deliveries and/or sales to core customers, and (b) operations pursuant to the foregoing procedures and priority categories are or will be, in the Company's judgment, inadequate to relieve such impairment, and (c) gas supply is otherwise available and received by the Company for delivery to non-core customers, the Company shall have the right to divert such gas supply as necessary to avoid such impairment of deliveries and/or sales to core customers. ESCOs/Direct Customers will be obligated to continue to deliver, or cause to be delivered, a volume of gas up to their maximum delivery obligation, unless upstream *force majeure* interruptions or curtailments prevent ESCOs/Direct Customers from securing or delivering such supplies.
7. If gas is diverted from a customer, compensation will be at the average of the high and low prices for Transco Zone 6 gas on the day(s) of such diversion. The affected ESCO/Direct Customer will be compensated pursuant to the foregoing market price, unless it can demonstrate to the Company's satisfaction that its contract price for the gas diverted exceeded such market price.

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