Status: CANCELLED Effective Date: 06/01/2008

PSC NO: 12 GAS LEAF: 218
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 8
INITIAL EFFECTIVE DATE: 06/01/08 SUPERSEDING REVISION: 7
STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

SERVICE CLASSIFICATION No. 6M - Continued

Rate Schedule 2:

Customers whose annual weather normalized usage is equal to 3,500 but not greater than 8,999 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 Temperature Controlled Incremental Cost of Gas (TC Floor Price). In addition, an annual price cap will apply in compliance with the Commission's Orders in Cases 06-M-0878 and 06-G-1185. The annual price cap calculation will compare, the aggregate temperature controlled class, actual S.C. 6C, 6G and 6M revenues versus what those revenues would have been under Service Classification No. 2 – General – Heating. If during any month the TC Floor Price is higher than the published Monthly Cost of Gas for S.C. 2-2, an adjustment to the annual price cap is permissible.

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