

PSC NO: 12 GAS

LEAF: 300

COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 2

INITIAL EFFECTIVE DATE: 11/01/03

SUPERSEDING REVISION: 1

STAMPS: Issued in compliance with order in Case 02-M-0515 dated April 24, 2003

SERVICE CLASSIFICATION No. 16 - Continued**Rate CTBS-4B - (Year-Round Air Conditioning Service Transportation)**

Available to customers who would otherwise qualify for sales service under Service Classification No. 4B - Year-Round Air Conditioning Service.

Rate CTBS-7 (Seasonal Off-Peak Service)

Available to customers who would otherwise qualify for sales service under Service Classification No. 7 - Seasonal Off-Peak Service.

Rate CTBS-21 (Baseload Distributed Generation Service)

Available to customers who would otherwise qualify for sales service under Service Classification No. 21 - Baseload Distributed Generation Sales Service.

CHARACTER OF SERVICE

Firm transportation, balancing and standby service, as determined by the Character of Service provisions of the sales service classification corresponding to the applicable CTBS rate classification indicated above, which provisions are incorporated herein by reference. Subject to the provisions of this Service Classification, the Company will transport natural gas, owned by the Customer, that meets the quality specifications hereof from a mutually agreed upon existing point for direct receipt by the Company, to a specified delivery point on the Company's existing facilities at the customer's point of service.

The Company shall control the dispatch of gas received for transportation. Transportation and balancing service hereunder for New Core Customers shall be available only upon a Company determination that its existing delivery and storage capacity and facilities are adequate to the total estimated gas requirements of its customers receiving service under sales service classifications and to Existing Core Customers taking service under this Service Classification and Service Classification No. 17. The Company will not be obligated to expand its facilities or construct new facilities for new customers seeking such service.

Subject to the provisions contained herein, Company shall receive gas delivered by Customer hereunder for Customer's account and transport and/or redeliver such gas to Customer. Company shall not be required to accept deliveries of gas in excess of Customer's MDDQ.

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