

PSC NO: 12 GAS

LEAF: 76

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

GENERAL INFORMATION - Continued

- I. Total Actual Fixed Cost of Gas =
1. Actual suppliers, transporters and storage providers fixed rates and charges, **PLUS**
 2. Any other fixed charges for the Gas Cost Year, **LESS**
 3. Actual Service Classification Nos. 6C, 6G and 6M billed sales multiplied by 1.00 cents per therm **LESS**
 4. Actual Service Classification No. 4A billed sales multiplied by 4.27 cents per therm, **LESS**
 5. Actual Service Classification No. 4B billed sales multiplied by 7.35 cents per therm, **LESS**
 6. Actual Service Classification No. 21 billed sales multiplied by _____ cents per therm, **LESS**
 7. Actual Off-System Service Incentive, **LESS**
 8. Actual Service Classification No. 16 capacity release credits, **LESS**
 9. Actual Service Classification No. 16 capacity release surcharge credit revenues (net of revenue taxes) and Actual Service Classification No. 16 Balancing Service Peaking Demand Charge revenues (net of revenue taxes), **LESS**
 10. Actual Service Classification No. 17 Standby Demand Charges (net of revenue taxes), **LESS**
 11. Actual Service Classification No. 13 balancing service net revenues, **LESS**
 12. Actual Central Hudson net revenues.

Total Actual Fixed Costs = 1 + 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 - 10 - 11-12.

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