

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 12/04/04
STAMPS: Issued in compliance with order in Case No. 02-G-1644 dated August 4, 2004

LEAF: 85
REVISION: 3
SUPERSEDING REVISION: 2

GENERAL INFORMATION - Continued

The composite rate of refund credit will be the sum of the individual monthly rates from the prior twelve months. All refunds concluded during the twelve months ended August 31 of each year will be reconciled with the amounts intended for refund during that period with any difference applied to next year's refund or surcharge computation.

- (ii) refunds received from providers of upstream pipeline transportation services shall be allocated between Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 2, 3, 4A, 4A-CNG, 4B, 6C, 6G, 6M, 7, 14, and 21 in the same manner as set forth in Section 38(a)(i). The rate of refund shall also be determined in the manner set forth in Section 38(a)(i).
 - (iii) all remaining refunds shall be allocated between Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 2, 3, 4A, 4A-CNG, 4B, 6C, 6G, 6M, 7, 14 and 21 in the same manner as set forth in Section 38(a)(i), except that refunds relating to excess commodity charges incurred prior to October 1, 1994 shall be allocated only to S.C. Nos. 1A, 1AR, 1B, 1BI, 1BR, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21. The rate of refund shall also be determined in the same manner as set forth in Section 38(a)(i).
 - (iv) Notwithstanding the foregoing, if, during a refund period, material differences arise between amounts then refunded or estimated to be refunded and amounts intended for refund, the Company reserves the right to adjust the applicable refund factor to minimize differences at the end of the twelve months.
- (b) The Company reserves the right, in its sole discretion, to petition the Commission for permission to use an alternate method of refunding.

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