

PSC NO: 12 GAS

LEAF: 78

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 4

INITIAL EFFECTIVE DATE: 10/28/04

SUPERSEDING REVISION: 2

STAMPS: Issued in compliance with order in Case 02-M-0515 dated August 4, 2004

GENERAL INFORMATION - Continued

$$\text{Current Year Imbalance} = A + B - C - D - E - F.$$

Divide result by forecast Gas Sales for twelve month period December 1 through November 30.

The determination period to be used in the computation of the surcharge or refund shall be the 12 months ended August 31 of each year. The surcharge or refund computation shall be filed with the Commission on or before October 15 of the calendar year in which it is to become effective.

The surcharge or refund shall be effective with the first December billing of each year.

B. Service Classification No. 4A

Each October 15, the Company shall determine the annual unitized imbalance overcollection/undercollection factors to recover gas cost overcollections or refund overcollections from customers served under Service Classification No. 4A following the conclusion on the imbalance year ended August 31st in the same manner as the Company determines the annual unitized imbalance overcollection/undercollection factor under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3 and 21.

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