PSC NO: 12 GAS LEAF: 40 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 5 INITIAL EFFECTIVE DATE: 10/28/04 SUPERSEDING REVISION: 3 STAMPS: Issued in compliance with order in Case 02-M-0515 dated August 4, 2004

GENERAL INFORMATION - Continued

19. Payment of Bill

A. General

All bills are due and payable upon presentation if by hand or electronic mail or three days after the mailing of the bill, and if not so paid the Company may discontinue the supply of gas, as provided for in Section 26.

B. Budget Billing

The Company's Budget Billing Plan is described on the tariff leaves containing the terms and conditions for obtaining service under Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, and 3. The same plan is available to customers who are condominium associations or cooperative housing corporations regardless of whether such customers are classed as residential or commercial customers.

C. Quarterly Billing

As required by Public Service Law Section 38, the company shall offer any residential customer, 62 years of age or older, a plan for payment on a quarterly basis of charges for service rendered, provided that such customer's average annual billing is not more than \$150. (See Leaf No. 43 regarding Residential Deferred Payment Agreements.)

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