Received: 10/27/2004 Status: CANCELLED Effective Date: 10/28/2004

PSC NO: 12 GAS LEAF: 158.1 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0 INITIAL EFFECTIVE DATE: 10/28/04 SUPERSEDING REVISION: STAMPS: Issued in compliance with order in Case 02-M-0515 dated August 4, 2004

SERVICE CLASSIFICATION No. 1B-DG

RESIDENTIAL DISTRIBUTED GENERATION SERVICE

Applicable to Use of Service for:

Subject to any Special Provisions listed herein, Service Classification No. 1B-DG is available to customers who would otherwise qualify under Service Classification No. 1B and have distributed generation equipment

Character of Service:

Natural gas of not less than 975 Btu, dry basis, per cubic foot at a pressure of not less than four inches of water column gauge, as measured at the customer's end of the service line.

Continuous.

Rate – Bi-monthly Billing:

First 6 therms or less \$35.18

All over 6 therms \$.305 per therm

Monthly Cost of Gas:

In addition to the above charges, customers will pay the Monthly Cost of Gas per therm of gas supplied hereunder, as well as other consumption-based unit adjustments reflected in the General Information leaves of this Tariff.

Minimum Charge:

\$35.18 per bi-monthly billing period, plus the applicable gas adjustment and Revenue Tax Surcharge.

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