Received: 02/24/2004

Status: CANCELLED Effective Date: 02/25/2004

P.S.C. NO: 12 GAS

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 1

INITIAL EFFECTIVE DATE: 02/25/04

SUPERSEDING REVISION: 0

STAMPS: Issued in compliance with order in Cs. 98-M-1343, 99-M-0631, 03-M-0117 dated 12/5/03

GENERAL INFORMATION - Continued

27.1 ESCO INITIATED SUSPENSIONS - Continued

3. Upon the receipt of payments from the customer such that the amount paid by the customer to the ESCO, plus the amounts previously paid to the ESCO, plus any charges paid to the Company for distribution service is equal to or greater than the amount the customer would have paid if both natural gas service and local distribution service had been purchased from the Company on a bundled basis during the period the arrears giving rise to the suspension accrued. Using the original delivery service bills for the subject period, the Company will calculate this charge by replacing the transportation adjustment clause with the gas adjustment clause, and recalculating appropriate taxes. The Company will prepare for the ESCO such bill calculation for a charge to the ESCO of \$6.89 for each billing period included in the calculation.

C. Reconnection

Once the Customer has satisfied any of the foregoing conditions for restoration of service, the ESCO will notify the Company and pay \$93.02 to compensate the Company for the reconnection service.

Whenever circumstances beyond the Company scontrol prevent reconnection of gas service within 24 hours of any of the events specified in this section, gas service shall be reconnected within 24 hours after those circumstances cease to exist.

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