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COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 3

INITIAL EFFECTIVE DATE: 12/01/01 SUPERSEDING REVISION: 1

STAMPS:

Cancelled by 4 Rev. Leaf No. 218 Effective 12/01/2001

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SERVICE CLASSIFICATION No. 6M - Continued

Rate Schedule 2:

<u>Customers whose annual weather normalized usage is equal to 3,500 but not greater</u> than 8,999 dth

A monthly minimum charge of \$189.76 for the first 10 therms consumed will be applied to each customer under this rate schedule. No later than three days prior to the end of each month, the Company will file with the Public Service Commission a unit commodity rate per therm applicable to all sales exceeding the minimum consumption of 10 therms per month, to become effective on the first day of the following month. The Company will, at its sole discretion, set the rate per therm at a level which is no less than the Company's Incremental Cost of Gas as filed with the Public Service Commission and no higher than the greater of (1) 115% of the No. 2 oil gas equivalent price or (2) the tailblock rate of Service Classification No. 2 (General Service - Non-Residential) - Rate Schedule 1 (Non-Heating) inclusive of the applicable Monthly Cost of Gas less \$.01, and no lower than 85% of the No. 6 oil, .3% sulfur gas equivalent price.

The No. 6 oil, .3% sulfur gas equivalent price and the No. 2 oil gas equivalent price shall be determined as set forth in Rate Schedule 1. The monthly per therm rate set for Rate Schedule 2 shall not be higher than the monthly per therm rate set for Rate Schedule 1.

Issued by: Richard A. Rapp, Jr., Vice President, Deputy General Counsel and Secretary, Brooklyn, NY