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COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 3

INITIAL EFFECTIVE DATE: 10/01/01 SUPERSEDING REVISION: 2

STAMPS:

CANCELLED by Supplement 10 effective 09/30/01

RECEIVED: 06/04/01 STATUS: Cancelled EFFECTIVE: 10/01/01

SERVICE CLASSIFICATION No. 16 - Continued

- (o) Notwithstanding anything else herein, any charges for which Seller is responsible under Service classification No. 19 shall not be Customer's responsibility under this Service Classification No. 16. In the event of a conflict between the terms and conditions of this Service Classification No. 16 and the terms and conditions of Service Classification No. 19, the terms and conditions of Service Classification No. 19 shall govern.
- (p) Beginning with the next cycle meter reading dated on or after July 1, 2003, the Company will read the meters of customers taking service under CTS-1A and CTS 1-B, who reside in structures with more than five (5) individual flats or apartments on an annual basis and render a bill for service on a monthly basis. The monthly bill will represent one-twelfth of the customer's average annual bill as computed by the Company. Whenever the Company obtains an actual read or receives a customer read, the Company shall recompute the average annual bill and the monthly bill due.
- (q) Effective July 1, 2002, customers taking service under CTBS-1A and CTBS-1B will be pre-billed the minimum charge for each billing cycle, and will be reconciled every subsequent billing cycle.

OPERATIONAL FLOW ORDERS

The Company shall have the right to issue Operation Flow Orders (OFOs) in order to maintain system integrity or to ensure Company's continued ability to provide service to its firm customers.

The use and issuance of OFOs are set forth in the Company's Gas Transportation Operating Procedures Manual, Section VIII, as filed with the Public Service Commission.

CHARGE FOR LATE PAYMENT:

Pursuant to provisions contained in General Information Leaf No. 41.

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