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COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 2

INITIAL EFFECTIVE DATE: 09/30/02 SUPERSEDING REVISION: 1

STAMPS:

RECEIVED: 06/20/02 STATUS: Effective EFFECTIVE: 09/30/02 GENERAL INFORMATION - Continued

B. RIDER B -BUSINESS INCENTIVE RATE FOR NEW AND VACANT PREMISES (Applicable to Service Classification Nos. 2, 4B, 6C, 16-CTBS-2, 16-CTBS-4B, 17-CTS-2, 17-CTS-4B and 18-NCTS-6C)

Available upon written application to commercial and industrial customers within twelve months of application for new gas service or within six months of receipt of benefits or certification as outlined below:

EDZ

ECSP:

ICIP; or other documentable economic development incentives administered by New York State or New York City; and occupying new or vacant premises; or to existing customers who increase consumption by 15%.

This rider will also be available to customers who graduate from the New York State Incubator Program.

New premises shall mean land upon which the construction for a new building began after the initial effective date of this Rider.

Vacant premises shall mean a previously occupied building which is vacant at the time of application and where applicant can demonstrate that premises have been unoccupied for the six month period preceding application for service under this Rider.

In cases where an existing customer is expanding, the Company shall determine increased gas consumption by establishing a monthly base usage pattern at the premises based upon the historical consumption, normalized for weather conditions, for the twelve month period immediately preceding the customer's application for service. Where actual gas usage, as similarly normalized for weather conditions, increases over such base by fifteen percent in each of the three successive months following application, then applicant will be eligible for the benefits of this Rider commencing on the first day of the next successive billing period, and thereafter for the term allowed by this Rider, if in each subsequent twelve month period from the date of application, actual normalized consumption averages fifteen percent over the normalized base twelve months gas consumption.

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