Received: 06/01/1998 Status: CANCELLED Effective Date: 10/01/1998

..DID: 3794

..TXT: PSC NO: 12 GAS LEAF: 91

COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0

INITIAL EFFECTIVE DATE: 10/01/98 SUPERSEDING REVISION:

STAMPS:

Cancelled by 1 Rev. Leaf No. 91 Effective 10/01/1998

RECEIVED: 06/01/98 STATUS: Cancelled EFFECTIVE: 10/01/98 GENERAL INFORMATION - Continued

(1) New York State Tax Law, Sections 186, 186-a, and 1201 (a)

(2) General City Law, Section 20-b

(3) New York City Administrative Code, Section QQ46-2.0

The total amount of all rates and charges shall be increased by an Effective Aggregate Percentage factor determined by dividing the applicable aggregate percentage rate of taxes by 100% minus the applicable aggregate percentage rate of taxes. The resulting Revenue Tax Surcharge shall be set forth on a statement filed with the Public Service Commission and will be subject to adjustment whenever the City of New York levies a new tax on the Company's gross revenues, repeals such a tax, or changes the rate of such tax. Every such statement shall be filed not less than fifteen (15) business days before the date on which the statement is proposed to be effective, shall become effective no sooner than the date when the tax enactment is filed with the Secretary of State; shall be applicable to bills subject to the tax enactment that are rendered on or after the effective date of the statement; and shall be canceled not more than five (5) business days after the tax enactment either ceases to be effective or is modified so as to reduce the tax rate. A copy of the statement in effect will be available to the public at Company offices at which applications for gas service may be made.

Pursuant to Commission Order issued July 23, 1991 in Case No. 27611, the rates and charges under all service classifications shall also be subject to an additional tax percentage factor designed to recover the tax rate and surcharge increases imposed under Sections 186-a and 188, respectively, for the period January 1, 1991 through July 31, 1991. The additional percentage factor shall be determined by dividing the additional tax expense by forecasted revenue for the twelve months ended on the day before the first anniversary date of the effective date of new rates prescribed by the Commission in Case No. 90-G-0981.

Issued by: Robert J. Fani, Senior Vice President, Brooklyn, New York