..DID: 5537 ..TXT: PSC NO: 12 GAS LEAF: 240 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 1 INITIAL EFFECTIVE DATE: 10/01/98 SUPERSEDING REVISION: 0 STAMPS: Issued in compliance - C.98-G-0824 (8/27/98) and C.95-G-0761 (9/22/98) RECEIVED: 09/25/98 STATUS: Effective EFFECTIVE: 10/01/98 SERVICE CLASSIFICATION No. 11 - Continued

Rate 2

<u>All over 4,200 therms</u>: \$292.32 plus 4,190 therms multiplied by the applicable net margin per therm, net of applicable taxes, which is computed by subtracting the TC cost of gas per therm as explained on Leaf No. 68 from the variable rate per therm in effect.

Transition Costs Surcharge

All rates under this Service Classification shall reflect a surcharge for Transition Costs calculated in accordance with the Commission's Opinion No. 94-22 in Case 93-G-0941 as described on General Information Leaf No. 86.

Determination of Billing Quantity:

For the purpose of computing the quantity of gas delivered to a customer's delivery point, the quantity of gas delivered each month to the Company by a transporter for the account of a customer taking service under this Service Classification shall be reduced by a percentage factor, as determined annually on August 31, to provide for system use and losses within the Company's distribution system as specified in the customer's Service Agreement. The Company reserves the right to petition the Public Service Commission for permission to change such percentage factor in the event it determines that a change is required to more accurately reflect system use and losses.

Issued by: Steven L. Zelkowitz, Sr. Vice President and General Counsel, Brooklyn, NY