PSC NO: 12 GASLEAF: 427.9COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 3INITIAL EFFECTIVE DATE: 01/31/17SUPERSEDING REVISION: 2STAMPS: Issued in compliance with Order in Case 16-G-0059 dated December 16, 2016

SERVICE CLASSIFICATION NO. 20 (Continued) F. TRANSPORTATION SERVICE RATES - MONTHLY BILLING (continued)

- 1. Rate Schedule 1: (continued)
 - f) Daily Balancing Charges (continued)

ii. For imbalances where the quantities of natural gas consumed by the Customer are greater than the quantities of gas:

- a. or quantities of natural gas consumed by the Customer that exceed the quantities of natural gas delivered by up to two percent (2%), the excess shall be purchased by the Customer at the Monthly Index Price;
 - b. for quantities of natural gas consumed by the Customer that exceed the quantities of natural gas delivered by the Customer by more than two percent (2%) but no greater than five percent (5%), the excess shall be purchased by the Customer at one hundred twenty five percent (125%) of the Company's Daily Gas Sales Price;
 - c. for quantities of natural gas consumed by the Customer that exceed the quantities of natural gas delivered by the Customer by more than five percent (5%) but no greater than ten percent (10%), the excess shall be purchased by the Customer at one hundred thirty five percent (135%) of the Company's Daily Gas Sales Price;
 - d. for quantities of natural gas consumed by the Customer that exceed the quantities of natural gas delivered by more than ten percent (10%) but no greater than twenty percent (20%), the excess shall be purchased by the Customer at one hundred forty percent (140%) of the Company's Daily Gas Sales Price plus \$10/dth;
 - e. for quantities of natural gas consumed by the Customer that exceed the quantities of natural gas delivered by more than twenty percent (20%), the excess shall be purchased by the Customer at one hundred fifty percent (150%) of the Company's Daily Gas Sales Price plus \$10/dth.

Daily Balancing Charges shall be billed monthly with the Customer's monthly invoice for transportation service. Any discounts or surcharges to the Daily Gas Sales Price or the Daily Gas Purchase Price under Section f.i or f.ii) are considered penalties.

Issued by: Kenneth D. Daly, President, Brooklyn, New York