

PSC NO: 12 GAS

LEAF: 427.8

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 2

INITIAL EFFECTIVE DATE: 08/01/15

SUPERSEDING REVISION: 1

STAMPS:

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

1. Rate Schedule 1: (continued)

e) Annual Minimum Bill Obligation (continued):

In determining whether the Customer has satisfied the Annual Minimum Bill Obligation, the Company shall give full credit for the quantities of natural gas purchased by the Customer as the result of a monthly cashout. The Company shall determine whether the Customer has satisfied the Annual Minimum Bill Obligation each year on the anniversary of the commencement of service. Any deficiency shall be billed to the Customer in the following month

f) Daily Balancing Charges: The Company shall balance the Customer's account at the end of each day to zero including system losses. This shall be done by comparing the Customer's or Gas Balancing Agent's natural gas deliveries for the day to the Customer's actual usage, including the system losses, for that day. The following provisions will apply:

- i. For imbalances where the quantities of natural gas delivered are greater than the quantities of gas consumed by the Customers:
 - a. for quantities of natural gas delivered that exceed the quantities of natural gas consumed by the Customer by up to two percent (2%), the excess shall be purchased by the Company at the Daily Gas Purchase Price (as defined on Leaf No.427.1;
 - b. for quantities of natural gas delivered that exceed the quantities of natural gas consumed by the Customer by more than two percent (2%) but no greater than five percent (5%), the excess shall be purchased by the Company at seventy five percent (75%) of the Daily Gas Purchase Price;
 - c. for quantities of natural gas delivered that exceed the quantities of natural gas consumed by the Customer by more than five percent (5%) but no greater than ten percent (10%), the excess shall be purchased by the Company at sixty five percent (65%) of the Daily Gas Purchase Price;
 - d. for quantities of natural gas delivered that exceed the quantities of natural gas consumed by the Customer by more than ten percent (10%) but no greater than twenty percent (20%), the excess shall be purchased by the Company at sixty percent (60%) of the Daily Gas Purchase Price;
 - e. for quantities of natural gas delivered that exceed the quantities of natural gas consumed by the customer by more than twenty percent (20%), the excess shall be purchased by the Company at fifty percent (50%) of the Daily Gas Purchase Price;

Issued by: Kenneth D. Daly, President, Brooklyn, NY