Received: 12/02/2003

Status: CANCELLED Effective Date: 01/01/2004

PSC NO: 12 GAS STATEMENT TYPE: MFET COMPANY: THE BROOKLYN UNION GAS COMPANY STATEMENT NO: 5

INITIAL EFFECTIVE DATE: 01/01/04

STATEMENT OF NEW YORK STATE MOTOR FUEL EXCISE TAXES (Issued under authority of Articles 12-A and 13-A of Tax Law)

Applicable to billings for CNG as a motor fuel under Service Classifications Nos. 4A, 6C1, 6G1, and 14

Rates and charges for CNG service under Service Classifications Nos. 4A, 6C1, 6G1 and 14 shall be increased by the following \$ per therm on a BTU equivalent basis.

New York State Motor Fuel Tax = \$0.08 per equivalent gallon of gasoline

New York State Tax on Petroleum Businesses = \$0.1460 per equivalent gallon of gasoline

On an equivalent BTU value basis:

0.78125 gallons of gasoline = 1.0 therm of natural gas

\$0.08/equivalent gallon of gasoline x 0.78125 gallons of gasoline/therm =

\$0.0625/therm on a BTU equivalent basis.

\$0.1460/equivalent gallon of gasoline x 0.78125 gallons of gasoline/therm =

\$0.1141/therm on a BTU equivalent basis.

Issued by John J. Bishar, Jr., Senior Vice President, General Counsel and Secretary, Brooklyn, NY