

PSC NO: 12 GAS**STATEMENT TYPE: COC****COMPANY: THE BROOKLYN UNION GAS COMPANY STATEMENT NO: 74****INITIAL EFFECTIVE DATE: 10/07/04****STATEMENT OF UNBUNDLED TRANSPORTATION SERVICE
CASH OUT CHARGES**Applicable for Cash Out Billings from **September 1, 2004** through **September 30, 2004**

Applicable to usage under Service Classification Nos. 16, 17 and 18 of PSC No. 12-GAS

MONTHLY AVERAGE COMMODITY**COST OF GAS****PRICE PER DTH: \$ 4.8875****ACTUAL MONTHLY INCREMENTAL****COST OF GAS INCLUDING DEMAND CHARGES****PRICE PER DTH: \$ 5.9794****DAILY COMMODITY****COST OF GAS****PRICE PER DTH: \$ 4.8875****DAILY INCREMENTAL****COST OF GAS INCLUDING DEMAND CHARGES****PRICE PER DTH: \$ 5.9794*********For the Following Dates the Daily Incremental Cost of Gas is:****September 23, 2004 \$6.0050****September 30, 2004 \$6.6050**

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