Received: 10/01/1998 Status: CANCELLED Effective Date: 10/01/1998

..DID: 5756

..TXT: PSC NO: 12 GAS STATEMENT TYPE: UTSC

COMPANY: THE BROOKLYN UNION GAS COMPANY STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 10/01/98

STAMPS:

Cancelled by Statement UTSC Number 2 Effective 11/01/1998

RECEIVED: 10/01/98 STATUS: Cancelled EFFECTIVE: 10/01/98 RECEIVED: 10/01/98 STATUS: Cancelled EFFECTIVE: 10/01/98 RECEIVED: 10/01/98 STATUS: Effective EFFECTIVE: 10/01/98 EFFECTIVE: 10/01/98

RECEIVED: STATUS: EFFECTIVE:

STATEMENT OF UNBUNDLED TRANSPORTATION SERVICE CHARGES

Applicable to Usage Under Service Classification Nos. 16, 17, 18 and 19 P.S.C. No. 12-GAS

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I. Transportation Adjustment applicable to all customers served under Service Classification Nos. 16, 17 and 18. Surcharges/Refunds are per therm of gas to be applied to all transportation quantities.

Transition Cost Surcharge (SC16-1A, SC16-1AR, SC17-1A, SC17-1AR)	\$0.0035
Transition Cost Surcharge (SC16-1B, SC16-1BR, SC16-2, SC16-3	
SC17-1B, SC17-1BR, SC17-2, SC17-3)	\$0.0034
Transition Cost Surcharge (SC16-4A, SC17-4A)	(\$0.0036)
Transition Cost Surcharge (SC16-4B, SC17-4B)	(\$0.0046)
Transition Cost Surcharge (SC16-7, SC17-7)	\$0.0004
Transition Cost Surcharge (SC18-5A)	\$0.0015
Pipeline Refund	\$0.0000
Daily Penalty Refund	\$0.0000

II. System Use and Losses:

Applicable to all customers served under Service Classification Nos. 16, 17, 18 and 19. Percentage to be applied to the quantity of gas delivered to the Company by a transporter for the account of the customer, as determined as of August 31, 1994.

Customers Served Under S.C. Nos. 16, 17, 18 and 19

3.60%

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II. Charges applicable to all customers served under Service Classification No. 16 and Sellers served under Service Classification No. 19 who have established a Pool of Service Classification No. 16 customers.

A. Average Upstream Transportation Cost:

\$0.0732 per therm

The Company's monthly weighted average per therm cost of firm pipeline capacity upstream of the city gate.

B. Balancing Service Demand Charge:

\$0.1244 per therm

The Company's monthly weighted average per therm cost of storage capacity upstream of the city gate.

C. Balancing Service Peaking Demand Charge:

\$0.0722 per therm

The Company's monthly weighted average per therm cost of firm pipeline capacity upstream of the city gate used for balancing.

IV. Charges applicable to customers served under Service Classification No. 17 and Sellers served under Service Classification No. 19 who have established a Pool of transportation customers which includes Service Classification No. 17 customers.

A. Daily Swing Service Demand Charge:

\$0.0135 per therm

The Company's weighted average per therm cost of firm pipeline and storage capacity upstream of the city gate used to provide balancing.

V. Charges applicable to customers served under Service Classification No. 18 and Sellers served under Service Classification No.19 who have established a Pool of transportation customers which includes Service Classification No. 18 customers.

A. Standby Gas Demand Charge:

\$0.0000 per therm

The Company's weighted average per therm cost of pipeline and storage capacity upstream of the city gate in the event a Marketer is no longer able to fulfill delivery commitments to customers.

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STATEMENT OF UNBUNDLED TRANSPORTATION SERVICE CHARGES

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I. Posted Monthly Rates Applicable to customers served under Transportation Service Rates TS-6C, TS-6G, and TS-6M who have entered into a Transportation Service Agreement, as of the effective date of this statement.

Temperature Controlled Transportation Service	Minimum Monthly Bill Applicable to First 10 Therms or Less	Variable Monthly Rate Applicable to Transport Volumes over 10 Therms Dollars per Therm
TS-6C (Commercial) Rate 1	\$ 187.37	\$0.2098
TS-6C (Commercial) Rate 2	\$ 292.32	\$0.1598
TS-6C (Commercial) (PBT Exempt) Rate 1	\$187.37	\$0.2048
TS-6C (Commercial) (PBT Exempt) Rate 2	\$292.32	\$0.1548
TS-6G (Government) Rate 1	\$187.37	\$0.2148
TS-6G (Government) Rate 2	\$292.32	\$0.1648
TS-6M (Multi-Family) Rate 1	\$187.37	\$0.1848
TS-6M (Multi-Family) Rate 2	\$187.37	\$0.1298
TS-6M (Multi-Family) Rate 3	\$292.32	\$0.1298
TS-6M (Multi-Family) Rate 4	\$292.32	\$0.1248

VII. Posted Monthly Rates Applicable to customers served under Transportation Service Rate TS-5A who have entered into a Transportation Service Agreement, as of the effective date of this statement.

Interruptible Transportation Service	Variable Monthly Rate Applicable to First 500,000 Therms Transported	Variable Monthly Rate Applicable to Transport Volumes over 500,000 Therms Dollars per Therm
TS-5A - Monthly Rate	\$0.1348	\$0.050
TS-5A - Monthly Rate PBT Exempt	\$0.1248	\$0.050

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