

PSC NO: 12 GAS
COMPANY: THE BROOKLYN UNION GAS COMPANY
INITIAL EFFECTIVE DATE: 02/01/12
STAMPS: Issued in compliance with order in Case 11-G-0411 dated January 10, 2012

LEAF: 204
REVISION: 8
SUPERSEDING REVISION: 7

SERVICE CLASSIFICATION No. 6C - Continued

There is an amnesty clause available to Customers that experience an equipment failure. Should a Customer fail to switch to its alternate fuel when it is notified to do so because of equipment failure, the Customer must notify the Company within one hour of the failure, and provide proof within two days that the equipment has been repaired and is operable. If a Customer can demonstrate that it was unable to obtain and install the necessary equipment within two days, the Customer will have five more days to remedy the situation. The Customer will provide proof that it has installed the necessary equipment and that it is operable. If a Customer meets these criteria, amnesty for the violation will apply. If the Customer cannot obtain and/or install the necessary equipment within seven days, the equipment failure will be considered a violation. Only one grant of amnesty for an equipment violation will be allowed per winter season. Such grant of amnesty does not exempt the Customer from having to pay any applicable charges, including Unauthorized Use Charges or non-compliance Charges.

Unauthorized Use Charge:

Beginning two hours after a Company-initiated interruption and continuing for the duration of the interruption period, any gas consumed by a Customer in excess of two therms per hour without the express written authorization of the Company will be subject to an additional per therm charge of either (i) two times the sum of the Market Price for natural gas delivered to the Company's city gate on the day of violation plus the transportation rate the Customer would be subject to if it were a transportation Customer, or (ii) nine times the applicable sales rate, whichever is higher. All charges are subject to all utility taxes and surcharges. *Market Price* is defined as the highest city gate delivered price of natural gas at Transco Zone 6 NY, Texas Eastern M3 or Iroquois Zone 2 on the days of interruption, as quoted by Platts' "Gas Daily" report. A limited exception to the foregoing will apply if the Customer's failure to interrupt during a Company initiated interruption is due to a failure of Company-owned equipment that is not attributable to Customer. In such event, the Unauthorized Use Charge will only apply if the Customer fails to switch after the Company notifies the Customer to switch to its alternate fuel manually. The Customer will be subject to the Unauthorized Use Charge if the Company becomes aware that the Customer failed to interrupt gas service when required to do so because the Customer interfered with Company-owned equipment. In the event of consumption of gas during such periods, the Company will have the right to estimate the amount of such consumption for the purpose of imposing the additional charge. Such estimate may be based upon the average daily consumption during periods of authorized consumption or upon any other reasonable method including, but not limited to, the use of telemetering equipment.

Where a condition is experienced by the Customer that prevents the required switch over from gas, the Customer agrees to immediately notify the Company and to take immediate action to correct such condition, and to notify the Company when such condition has been corrected.

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