

PSC NO: 12 GAS LEAF: 400.1
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 1
INITIAL EFFECTIVE DATE: 11/01/11 SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with Orders in C. 06-G-1185 dated 01/19/2010 and 10/18/11

SERVICE CLASSIFICATION No. 19 - continued

A. DEFINITIONS - continued

The interstate pipeline gas prices used to compute the Daily Cash Out Price are obtained from Platt's Gas Daily Price Guide, Daily Price Survey for date of flow as follows:

Transco – Transco Zone 6 NY mid-point price
Texas Eastern – Tx. Eastern M3 mid-point price
Iroquois – Iroquois Zone 2 mid-point price
Tennessee – Tx Eastern M3 mid-point price

Daily Imbalance Quantity – Applicable to Sellers participating in the Company's Daily Balancing Program. The Daily Imbalance Quantity represents the difference between the quantity of gas the Seller delivers to the city gate for the pool and the telemetered daily consumption grossed up for UFG of the pool. A negative daily imbalance results when the pool consumes more gas than is delivered. A positive daily imbalance results when the pool consumes less gas than is delivered.

Daily Imbalance Tolerance (DIT) – Equal to +/- 5%. Applicable to Sellers participating in the Company's Daily Balancing Program.

Daily Transportation Quantity – Pursuant to Service Classification Nos. 17 and 18, the quantity of gas to be tendered by Seller at the Receipt Point for the customer's account on any day.

Energy Service Company (ESCO) – An entity eligible to sell natural gas to the Company's transportation customers served under Service Classification Nos. 17 and 18. ESCOs may also sell other energy supplies and energy related services to customers.

Gas Cost Year – The 12-month period beginning September 1st and ending August 31st of each year.

GTOP Manual – Gas Transportation Operating Procedures Manual issued in compliance with Order in Case 97-G-1380 issued December 21, 1999 that describes the operating procedures associated with the Company's firm, interruptible and temperature controlled transportation service.

Issued by: Alan P. Foster, Senior Vice President and Controller, Brooklyn, NY