PSC NO: 12 GASLEAF: 400.2COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 0INITIAL EFFECTIVE DATE: 11/01/11SUPERSEDING REVISION:STAMPS: Issued in compliance with Order in C. 06-G-1185 dated 01/19/2010

SERVICE CLASSIFICATION No. 19 - continued

A. **DEFINITIONS** - continued

Load Factor – The ratio of : 1) the average daily normalized annual consumption of the Seller's Pool to 2) the estimated peak day consumption of the Seller's Pool.

Marketer – A person or entity eligible to sell natural gas to the Company's transportation customers served under Service Classification Nos. 17 and 18.

Monthly Cash Out Price – Applicable to Sellers participating in either the Company's Monthly Balancing Program or Daily Balancing Program.

- 1. Monthly Balancing Program: The Monthly Cash Out Price is the Transco Zone 6 NY Index published at the start of each month in the Platt's Gas Daily Price Guide, Market Center Spot Gas Prices for the Northeast and is reflected as a per dekatherm price.
- 2. Daily Balancing Program: The Monthly Cash Out Price is determined for each Seller based on the simple average of the Daily Cash Out Prices that were in effect during the month.

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