

LEAF: 218

REVISION: 9

INITIAL EFFECTIVE DATE: 07/01/09

SUPERSEDING REVISION: 8

STAMPS: Issued in compliance with order in Case 09-M-0311 dated June 19, 2009

Rate Schedule 2:

A monthly minimum charge of \$189.76 for the first 10 therms consumed will be applied to each customer under this rate schedule. No later than three days prior to the end of each month, the Company will file with the Public Service Commission a unit commodity rate per therm applicable to all sales exceeding the minimum consumption of 10 therms per month, to become effective on the first day of the following month. The Company will, at its sole discretion, set the rate per therm at a level that is no less than the Temperature Controlled Incremental Cost of Gas (TC Floor Price) plus the Incremental State Assessment Surcharge applicable to SC 6. In addition, an annual price cap will apply in compliance with the Commission's Orders in Cases 06-M-0878, 06-G-1185 and 09-M-0311. The annual price cap calculation will compare, the aggregate temperature controlled class, actual S.C. 6C, 6G and 6M revenues versus what those revenues would have been under Service Classification No. 2 – General – Heating plus the Incremental State Assessment Surcharge applicable to SC 6. If during any month the TC Floor Price is higher than the published Monthly Cost of Gas for S.C. 2-2, an adjustment to the annual price cap is permissible.

Issued by: Kenneth D. Daly, Chief Financial Officer, Brooklyn, NY