PSC NO: 12 GAS LEAF: 341.1 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 7 INITIAL EFFECTIVE DATE: 10/01/10 SUPERSEDING REVISION: 6 STAMPS:

SERVICE CLASSIFICATION No. 17 - Continued

E. STATEMENT OF TRANSPORTATION ADJUSTMENT CHARGES

In addition to the monthly transportation service rates listed above, Customers shall pay transportation adjustment charges as set forth on the Statement of Transportation Adjustment Charges which shall be filed by the Company with the Commission each month not less than two business days prior to its effective date.

The Statement of Transportation Adjustment Charges shall contain the following charges:

1. Return Requirement on Gas in Storage

A surcharge for the Return Requirement on Gas in Storage as described on General Information Leaf Nos. 79.5 and 79.6.

2. Annual Return Requirement on Gas in Storage Surcharge or Refund

A surcharge or credit for the Annual Return Requirement on Gas in Storage Surcharge or Refund as described on General Information Leaf Nos. 79.11 and 79.12.

3. Capacity Release Service Adjustment

A surcharge for the Capacity Release Service Adjustment ("CRSA") as described on General Information Leaf No. 66.

4. Research and Development Surcharge

The Research and Development Surcharge as described on General Information Leaf No.90.

5. Pipeline Refunds Provision

A credit for Pipeline Refunds Provision as described on General Information Leaf Nos. 84 and 85.

Issued by: Andrew F. Sloey, Chief Financial Officer, Brooklyn, New York