

PSC NO: 12 GAS

LEAF: 350

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 3

INITIAL EFFECTIVE DATE: 11/01/06

SUPERSEDING REVISION: 2

STAMPS:

SERVICE CLASSIFICATION No. 17 – Continued

- (i) The Company shall not be obligated to enter into a CTS Service Agreement with any party unless such party satisfies the credit requirements prescribed by each of the Customer's Transporters and provides the Company with documentation from the Transporter of such party's compliance with the Transporter's credit requirements. In addition to satisfying the transporter's credit requirements, a Customer may at any time be required by the Company to provide further financial assurances, such as providing a letter of credit or other acceptable security. Furthermore, Customer shall have an ongoing obligation to notify the Company immediately of any change in financial circumstances that may result in non-compliance with the transporter's requirements. These standards will not apply to Customers taking an aggregated service.

The Company may terminate the CTS Service Agreement if such a change does result in non-compliance with a Transporter's requirements, or if the Customer fails to provide the financial assurance required by the Company.

- (j) Customers who do not have remote metering devices will have their meters read on their cycle billing dates. However, bills for service rendered under this Service Classification shall be rendered monthly. Off-cycle bills rendered to such customers may be based on the Company's estimate of the Customer's usage.

Issued by: John J. Bishar, Jr., Executive Vice President, General Counsel and Secretary, Brooklyn, NY