

PSC NO: 12 GAS

LEAF: 400

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 3

INITIAL EFFECTIVE DATE: 11/03/06

SUPERSEDING REVISION: 2

STAMPS:

SERVICE CLASSIFICATION No. 19**TRANSPORTATION AGGREGATION SERVICE****DEFINITIONS**

Actual Monthly ICOG - The actual monthly incremental cost of gas including demand charges incurred by the Company. The Company will file the Actual Monthly ICOG for any month with the Commission by the fourth business day of the following month.

Average Daily Delivery Quantity (ADDQ) - The total daily quantity of gas the Seller is required by the Company to deliver each day to the Company pursuant to Seller's Service Agreement. Such quantity shall be determined at least monthly by the Company and is subject to the limitations, restrictions, and other provisions contained herein.

Average Upstream Transportation Cost - The average cost per therm that the Company pays on a monthly basis for firm pipeline transportation capacity upstream of the Company's city gate facilities. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Charges filed with the Commission no later than three days before the first day of the month for which such statement is to be effective.

Daily Commodity Cost of Gas - The Company's daily commodity cost per therm of gas delivered to the city gate facilities from the Company's suppliers on such day. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

Daily Delivery Quantity (DDQ) - The quantity of gas delivered by a Seller to the Company hereunder on any day which is in excess of the quantity of gas transported and delivered by the Company to the Pool on such day. Such quantity shall be adjusted for fuel allowances.

Daily ICOG - The daily incremental cost of gas, including demand charges. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

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