PSC NO: 12 GASLEAF: 79.12COMPANY: THE BROOKLYN UNION GAS COMPANYREVISION: 0INITIAL EFFECTIVE DATE: 01/01/08SUPERSEDING REVISION:STAMPS: Issued in compliance with order in Case 06-G-1185 dated December 21, 2007

GENERAL INFORMATION - Continued

 Return Requirement on Gas in Storage Recoveries equal the recoveries from Return Requirement on Gas in Storage during the Gas Cost Year from Service Classification Nos 1A, 1AR, 1B, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 21, 17-1A, 17-1AR, 17-1B, 17-1BI, 17-1BR, 17-2, 17-3, 17-4A, 17-4A-CNG, 17-4B, 17-7, 17-14 and 17-21 net of revenue taxes.

3. Return Requirement on Gas in Storage Surcharge or Refund Recoveries = Total revenues or refunds from the Return Requirement on Gas in Storage Imbalance Surcharge or Refund charges during Gas Cost Year, net of associated revenue taxes plus the prior year imbalance.

Current Year Imbalance = 1 - 2 + 3

Divide result by the Company's estimated sales to Service Classification Nos. 1A, 1AR, 1B, 1BI, 1BR, 1B-DG, 2, 3, 4A, 4A-CNG, 4B, 7, 14 and 21 and deliveries to Service Classification Nos. 17-1A, 17-1AR, 17-1B, 17-1BI, 17-1BR, 17-2, 17-3, 17-4A, 17-4A-CNG, 17-4B, 17-7, 17-14 and 17-21 for the twelve month period January 1 through December 31

The surcharge or refund computation shall be filed with the Commission on or before October 15 of the calendar year before it is to become effective.

Statement of Monthly Cost of Gas and Adjustments

The Monthly Cost of Gas and Adjustments shall be effective commencing the first day of the Effective Month and shall continue in effect until changed.

Not less than two (2) days prior to any change in the monthly cost of gas and adjustments resulting from this provision for the estimate of the monthly cost of gas and adjustments, a statement showing the monthly cost of gas, the date at which and the period for which the estimates were determined, and the amount of adjustments per therm together with the period such adjustments per therm will remain in effect, will be duly filed with the Commission apart from this Tariff Schedule. Such statement will be available to the public at Company offices at which applications for service may be made.

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