PSC NO: 12 GAS LEAF: 138.28 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 3 INITIAL EFFECTIVE DATE: 02/03/04 SUPERSEDING REVISION: 1 STAMPS: Issued in compliance with order in Cs. 98-M-1343, 99-M-0631, 03-M-0117 dated 12/5/03

GENERAL INFORMATION (Cont.)

IX. BILLING AGENCY ARRANGEMENTS

A. ESCOs/Marketers and the Company may elect to offer customers a "Billing Agency" arrangement in which the customer will authorize the ESCO/Marketer to act as a Billing Agent, hereafter ESCO/Marketer/Billing Agent, to receive the customer's bills from the Company, consolidate them with the ESCO/Marketer/Billing Agent's charges, rebill the entire amount to the customer, and receive payments from the customer on the consolidated bill. If the ESCO/Marketer/Billing Agent and the customer elect a Billing Agency arrangement, the ESCO/Marketer/Billing Agent will comply with all obligations of consolidated billing parties set forth in the Commission's regulations, including without limit the Uniform Business Practices Section 9.J.

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