PSC NO: 12 GAS LEAF: 406.7 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 2 INITIAL EFFECTIVE DATE: 07/01/13 SUPERSEDING REVISION: 01 STAMPS: Issued in compliance with order in Case 12-G-0544 dated June 13, 2013

SERVICE CLASSIFICATION No. 19 – continued

1) The Seller has a negative daily imbalance that exceeds -5% then:

The Seller's negative daily imbalance quantity will be purchased by the Seller at the following daily cash out prices:

0 to -5%	Transferred to the Monthly Imbalance Account
>-5% to -10%	105% of the Daily Cash Out Price
>-10% to -15%	110% of the Daily Cash Out Price
>-15% to -20%	120% Of the Daily Cash Out Price
>-20%	150% of the Daily Cash Out Price

3) The Seller has a positive daily imbalance:

The Seller's positive daily imbalance quantity will be transferred to his Monthly Imbalance Account.

4. Monthly Imbalance Account

At the end of each month, the Company will determine the balance in each Seller's Monthly Imbalance Account. The balance will reflect: 1) any portion of the Seller's daily imbalance not subject to daily cash out and 2) any difference between the total monthly usage actually billed to the Seller's Pool grossed up for LAUF and the sum of the Pool's daily telemetered consumption volumes grossed up for LAUF.

Issued by: Kenneth D. Daly, President, Brooklyn, New York