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PSC NO: 12 GAS LEAF: 405 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 12 INITIAL EFFECTIVE DATE: 11/01/14 SUPERSEDING REVISION: 8

STAMPS:

SERVICE CLASSIFICATION No. 19 – continued

2. Daily Balancing Service Demand Charge

Applicable to Sellers participating in the Company's Daily Balancing Program.

The Daily Balancing Service Demand Charge is a per dekatherm charge of the cost of firm capacity the Company uses to provide daily balancing to Sellers serving SC 18 customers under the Daily Balancing Program.

3. Unitized Fixed Cost Credits

Unitized Fixed Cost Credits are applicable to Sellers serving transportation customers served under Service Classification No. 17. The Unitized Fixed Cost Credits are determined in accordance with General Information Leaf Nos. 76 and 77 and specifically include: a) credits from sales to customers served under Service Classification 6C, 6G and 6M; b) credits from sales customers served under Service Classification 4A-CNG; d) credits from sales customers served under Service Classification 4A-CNG; d) credits from sales customers served under Service Classification 4B; e) transportation revenues from power generators served under Service Classification Nos. 18 and 20; and f) swing service demand charge credits from ESCOs providing service to SC 18 non-core transportation customers under the Monthly Balancing Program; g) daily balancing service demand charge credits from ESCOs providing service to SC 18 non-core transportation customers under the Daily Balancing Program;

4. Daily Cash Out Prices

Applicable to Sellers participating in either the Company's Core or Non-Core Monthly Balancing Program or Daily Balancing Program reflected as a dollar per dekatherm price.

a) Core Monthly Balancing Program:

The simple average of the following interstate pipeline gas prices for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey:

Transco – Transco Zone 6 NY mid-point price Texas Eastern – Tx. Eastern M3 mid-point price Iroquois – Iroquois Zone 2 mid-point price

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