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COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 2

INITIAL EFFECTIVE DATE: 05/21/99 SUPERSEDING REVISION: 1

STAMPS:

Cancelled by 3 Rev. Leaf No. 342 Effective 09/01/1999

Effective date postponed to 08/01/99. See Supplement No. 2, 1 RECEIVED: 02/25/99 STATUS: Cancelled EFFECTIVE: 08/01/99

GENERAL INFORMATION - Continued

Daily Swing Service Monthly Imbalance Charge

The Company shall balance the Customer's account after each actual meter reading to zero. This shall be done by comparing the sum of the Customer's deliveries to the Company for the month to the Customer's actual usage for the same period. If the Customer consumed more gas than delivered to the Company for his account, the excess shall be purchased by the Customer at the Company's Monthly Cash Out Price for the same period. If the Customer consumed less gas than delivered to the Company for his account, the shortfall shall be credited to the Customer at the Company's Monthly Cash Out Price for the same period.

Standby Gas Service

The Company will provide a back-up to the gas supply of any Customer subscribing to Standby Gas Service. Customers that are Human Needs Customers electing transportation service under this service classification are required to subscribe to Standby Gas Service for the duration of their CTS Service Agreement. Standby Gas Service will be offered to Non-Human Needs Customers to the extent the Company has excess capacity and gas supply available. The Company will not be obligated to provide gas to any Customer who does not subscribe to this service on any day when gas is not delivered to the Company for transportation by the Company to the Customer's facilities.

The Company will provide Standby Gas Service for a maximum of forty-five (45) consecutive days during the term of Customer's CTS Service Agreement. If deliveries of gas to the Company for transportation to Customer's facilities do not recommence within forty-five (45) days after initial interruption, any such Customer will become a gas sales customer of the Company and will remain as such for at least one year.

Issued by: Steven L. Zelkowitz, Sr. Vice President and General Counsel, Brooklyn, NY