

..DID: 9732
..TXT: PSC NO: 12 GAS LEAF: 343
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 4
INITIAL EFFECTIVE DATE: 09/01/99 SUPERSEDING REVISION: 3
STAMPS: Issued in compliance with C.99-G-0878 (8/19/99) and C.97-G-1380 (8/19/
Cancelled by 5 Rev. Leaf No. 343 Effective 11/01/1999
RECEIVED: 08/31/99 STATUS: Cancelled EFFECTIVE: 09/01/99

SERVICE CLASSIFICATION No. 17 - Continued

Option 2 - Direct Purchase Core Customer Demonstration of Primary Receipt Point Capacity and/or Primary Receipt Point fully bundled delivery of natural gas from November 1st through March 31st, both inclusive

The Direct Purchase Core Customer demonstrates, to the Company's satisfaction, no later than the close of business on the first day of the NYMEX three day settlement, that he has committed to either firm, non-recallable, primary receipt point capacity to the Company's citygate or firm, non-recallable, primary receipt point natural gas deliveries to the Company's citygate in a quantity sufficient to supply the Average Daily Delivery Quantity (ADDQ) for the upcoming month and that such commitment is assignable to the customer. The Direct Purchase Core Customer shall provide the Company written proof that the Customer has either firm, non-recallable, primary receipt point capacity to the Company's city gate or firm, non-recallable primary receipt point natural gas deliveries to the Company's city gate in a quantity sufficient to supply the Average Daily Delivery Quantity (ADDQ).

If in any month the Direct Purchase Core Customer fails to provide the required proof of capacity or bundled gas, the Direct Purchase Core Customer will pay 110 percent of the Standby Demand Charges on the full five winter months of normalized consumption as calculated under Option 1 and shall be subject to the variable rate under Option 1.

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