

..DID: 3919

..TXT: PSC NO: 12 GAS

LEAF: 284

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0

INITIAL EFFECTIVE DATE: 10/01/98

SUPERSEDING REVISION:

STAMPS:

Cancelled by 1 Rev. Leaf No. 284 Effective 10/01/1998

RECEIVED: 06/01/98 STATUS: Cancelled EFFECTIVE: 10/01/98

SERVICE CLASSIFICATION No. 15 - Continued

Capacity Release shall be subject to the terms and conditions of the Company's transportation service agreements with the relevant pipeline(s), including the terms governing interruptions of service by the pipeline(s). The Company's execution of a Capacity Release Agreement shall not constitute a guarantee of any particular level of service by the pipeline(s). The Company shall not be liable to a Replacement Shipper in any way for interruptions of service by the pipeline(s).

MINIMUM VOLUME

The minimum amount of capacity that will be released under a Capacity Release Agreement is 20 Dth per day.

TERM

The term of each Capacity Release shall be determined by the Company and stated in the Capacity Release Agreement.

PREARRANGED CAPACITY RELEASES

Capacity Releases shall be effectuated in accordance with the FERC tariff(s) of the applicable pipeline(s). The pipelines' tariffs generally require the Company to release capacity to the party offering to pay the highest rate (not to exceed the pipeline's maximum tariff rate) in bidding procedures conducted by the pipeline. However, each pipeline's tariff permits the Company to enter into prearranged capacity release arrangements under which a designated Replacement Shipper will receive the capacity, provided that such Replacement Shipper has agreed to pay the pipeline(s) maximum rate or to match any higher bid offered in accordance with the pipeline's tariff. Except where a Prearranged Shipper is the counter party to a Gas Supply Management Arrangement, the Company shall select such Prearranged Replacement Shippers in accordance with the provisions of this Service Classification and shall propose a prearranged capacity release under the applicable pipeline's tariff, provided that the Prearranged Replacement Shipper has agreed to pay the pipelines maximum rate or to match any higher bid offered for such capacity .

Issued by: Robert J. Fani, Senior Vice President, Brooklyn, New York