Received: 07/31/1998 Status: CANCELLED Effective Date: 07/01/1999

..DID: 4774

..TXT: PSC NO: 1 GAS LEAF: 145

COMPANY: MARKETSPAN GAS CORPORATION DBA BROOKLYN UNION REVISION: 0

INITIAL EFFECTIVE DATE: 12/01/98 SUPERSEDING REVISION:

STAMPS:

CANCELLED effective 06/29/99

RECEIVED: 07/31/98 STATUS: Cancelled EFFECTIVE: 07/01/99

SERVICE CLASSIFICATION No. 6 Large Volume Gas Bypass Transportation Service (continued)

Receipt, Transportation and Delivery of Customer-Owned Gas:

On each day during the term of service hereunder, the customer shall deliver or cause to be delivered at the Receipt Point the Daily Transportation Quantity up to but not in excess of the Maximum Daily Transportation Quantity and the Company will deliver to the Customer the Daily Delivery Quantity. The Customer shall provide to the Company by the 15th of every month notice of the Daily Transportation Quantity scheduled for delivery at the Receipt Point each day of the succeeding month for the Customer's account. The Customer may modify this Schedule by notifying the Company in writing no less than 24 hours before delivery at the Receipt Point. In the event the Customer tenders quantities in excess of the Maximum Daily Transportation Quantity, the Company may, in its sole discretion, transport such excess volumes if sufficient capacity is available in its system.

Rate:

The rate charged for this service shall be negotiated individually with Customers and set forth in the negotiated Service Agreement. The Minimum Rate will recover for the life of the Service Agreement a reasonable contribution to system costs over and above the incremental costs to serve that customer. The cost of the appropriate metering equipment and its installation shall be borne by the Customer.

Heating Value Adjustment:

The volume of gas registered by the customer's meter, in 100 Cu. Ft. will be converted to therms as explained in Rule II.3.G.

Increase in Rates and Charges:

The rates and charges under this service classification, including Minimum Charge, are increased by the applicable percentage as explained in Rule III.2 for service supplied within the municipality where the customer is taking service.

Minimum Charge:

The annual minimum charge will be the greater of:

- an amount which will recover the annual levelized carrying charges calculated for the life of the contract for the Company's capital cost and operating expenses incurred to attach the customer and provide service, or
- b) an amount based on 50 percent of annual contract volumes.

The customer will be required to provide guarantees in the amount of this minimum charge over the life of the contract, by letter of credit from a responsible financial institution or other security satisfactory to the Company.

> Issued by Kathleen A. Marion, Secretary 175 East Old Country Road, Hicksville, NY