..DID: 5480 ..TXT: PSC NO: 12 GAS LEAF: 298 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 1 INITIAL EFFECTIVE DATE: 10/01/98 SUPERSEDING REVISION: 0 STAMPS: Issued in compliance - C.98-G-0824 (8/27/98) and C.95-G-0761 (9/22/98) RECEIVED: 09/25/98 STATUS: Effective EFFECTIVE: 10/01/98 SERVICE CLASSIFICATION No. 16 - Continued

APPLICABLE TO USE OF TRANSPORTATION AND BALANCING SERVICE FOR:

Any Existing Core Customer who (1) qualifies for service metered at a single delivery point under the applicable Comprehensive Transportation and Balancing Service (CBTS) rate schedule as described hereunder; and (2) meets the terms and conditions for service provided for under the corresponding sales Service Classification as contained in this Schedule for Gas Service; and (3) can provide, to the Company's satisfaction, proof of firm gas supply providing clear and marketable title to gas adequate to meet the Customer's requirements as determined by the Company (see Special Provisions), sufficient to provide transportation and redelivery by the Company of natural gas meeting the quality specifications of this Schedule of Gas Service at a minimum annual normalized quantity of 35,000 therms to the Customer's delivery point; and (4) desires to contract for the use of the Company's upstream transportation capacity; and (5) has entered into a mutually agreed upon CTB Service Agreement with the Company (in the form provided herein), subject to the Special Provisions hereof. This service may be offered at the Company's option to a potential New Core Customer provided such potential customer meets the other qualifications listed above. The minimum annual quantity requirement is not applicable to Existing Core Customers or potential New Core Customers who or which participate as part of a small customer aggregation Pool, if (a) the total annual normalized consumption of all Customers included in such Pool is at least 50,000 therms, (b) the Company and the third party supplying the Pool have entered into an agreement regarding the terms and conditions of such aggregation program and the other terms and conditions of Service Classification No. 19 have been complied with in all respects. The applicable rates and charges for CTB service are as follows:

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