Received: 09/25/1998 Status: CANCELLED Effective Date: 10/01/1998

..DID: 5493

..TXT: PSC NO: 12 GAS LEAF: 282

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. 15

RELEASE OF INTERSTATE PIPELINE CAPACITY ENTITLEMENTS

Applicable to service for the releasable transportation and/or storage capacity entitlements held by the Company on interstate pipelines, except for entitlements released pursuant to a gas supply management arrangement (as defined below in this Service Classification), in which case, the terms and conditions of this Service Classification shall not apply.

DEFINITIONS

"Capacity Release" means the release of a contractual entitlement to interstate pipeline transportation and/or storage capacity, pursuant to the pipeline's effective tariff on file with the Federal Energy Regulatory Commission (FERC) and this Service Classification.

"Capacity Release Agreement" means an agreement with the Company for a Capacity Release, substantially in the form attached to the Service Classification.

"Replacement Shipper" means any party that receives, in accordance with this Service Classification and the capacity release and other applicable provisions of the pipeline(s) FERC tariff, a Capacity Release from the Company and that signs a Capacity Release Agreement. The term "Replacement Shipper" includes any Prearranged Replacement Shipper and Subsequent Replacement Shipper.

"Prearranged Replacement Shipper" means a Replacement Shipper with which the Company has negotiated a prearranged capacity release arrangement.

"Subsequent Replacement Shipper" means any party that succeeds a Replacement Shipper as the holder of a capacity entitlement.

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