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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

FORM OF SERVICE AGREEMENT - Continued

6. Delivery Pressure. Gas delivered to the Point(s) of Receipt by Customer, or that Customer causes to be delivered to the Point(s) of Receipt, shall be at such delivery pressures as are sufficient to enter Transporter's pipeline

7. Balancing Service.

(a) The Company shall provide balancing service for gas delivered by Customer, or for Customer's account, up to an aggregate quantity no greater than Customer's Redelivery Capacity Quantity of _____ dekatherms. The Company shall be required to receive Customer's Daily Delivery Quantity only during the Delivery Period, and redeliver the Daily Redelivery Quantity only during the Redelivery Period.

(b) Upon the termination of this Agreement for any reason:

(i) if the Redelivery Balance is positive, the Company shall commence redelivery of gas to Customer up to the amount of such Redelivery Balance, at a daily rate no less than Customer's Average Daily Delivery Quantity; and

(ii) if the Redelivery Balance is negative, Customer shall be issued a credit at a rate equal to the Company's then current average inventory per therm cost of gas in storage, multiplied by the number of therms such Redelivery Balance is in the negative.

The terms of this Agreement shall survive with respect to such redelivery.

8. Standby Gas Service. Customer hereby subscribes to Standby Gas Service for the duration of this Agreement. The Company shall provide such Standby Gas Service to Customer for a maximum of forty-five (45) consecutive days during the term of this Agreement.

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