Received: 10/21/1999

Status: CANCELLED
Effective Date: 11/01/1999

..DID: 10265

..TXT: PSC NO: 12 GAS LEAF: 343

COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 6

INITIAL EFFECTIVE DATE: 11/01/99 SUPERSEDING REVISION: 5 STAMPS: Issued in compliance with Case 97-G-1380 dated August 19, 1999

Cancelled by 7 Rev. Leaf No. 343 Effective 11/12/2000

RECEIVED: 10/21/99 STATUS: Cancelled EFFECTIVE: 11/01/99

SERVICE CLASSIFICATION No. 17 - Continued

Standby Gas Service for Direct Purchase Core Customers Demonstrating Primary Delivery Point Capacity and/or Primary Delivery Point Fully Bundled Delivery of Natural Gas for the Winter Period (November 1st through March 31st Inclusive)

The Direct Purchase Core Customer shall demonstrate by written affidavit or through provision of the contract, to the Company's satisfaction, no later than the close of business on the first day of the NYMEX three day settlement, that it has committed to either firm, non-recallable, primary delivery point capacity to the Company's citygate or firm, non-recallable, primary delivery point natural gas deliveries to the Company's citygate in a quantity sufficient to supply the Average Daily Delivery Quantity (ADDQ) for that upcoming winter month. (This monthly demonstration is effective for the 1999/2000 winter season and shall be reevaluated by the Company each year thereafter.) No Standby Gas Service charges shall apply to a Direct Purchase Core Customer meeting these requirements.

If in any winter month the Direct Purchase Core Customer fails to provide the required proof of capacity or bundled gas, the Direct Purchase Core Customer will pay 110 percent of the Standby Demand Charges on the full five winter months of normalized consumption as calculated under the Standby Gas Service rates and charges applicable to Direct Purchase Customers who have secondary capacity to the Company's city gate and shall be subject to the terms and conditions of such service for the duration of the winter period.

Any Direct Purchase Customer bringing primary delivery point capacity and/or primary delivery point fully bundled sales gas to the Company's city gate who fails to deliver gas for his account for any two (2) days during the winter period shall be required to pay, in addition to applicable cashout penalties for such days, 110 percent of the Standby Demand Charges on the full five winter months of normalized consumption as calculated under the Standby Gas Service rates and charges applicable to Direct Purchase Customers who have secondary capacity to the Company's citygate and shall be subject to the terms and conditions of such service for the duration of the winter period.

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