..DID: 6823

THE BROOKLYN UNION GAS COMPANY One MetroTech Center Brooklyn, NY 11201

December 30, 1998

Mr. Steven Blow Records Access Officer Public Service Commission of the State of New York Three Empire State Plaza Albany, NY 12223

Dear Mr. Blow:

Enclosed for filing pursuant to the Commission's Opinion in Case No. 95-G-0761 Monthly Cost of as (MCOG), are the following:

The material for which trade secret status is being requested, which includes portions of Background Data supporting MCOG **Statement No. 4** effective **January 1, 1999** is an update to information previously supplied and protected.

While the Statements are available for public inspection and disclosure, the supporting background data contain commercially-sensitive confidential information that Brooklyn Union considers to be trade secrets. Accordingly, Brooklyn Union respectfully requests that the set of supporting background data labeled "Non-Public" be accorded trade secret protection.

Specifically, the supporting background data contains volume and cost information relating to 1) the Gas Purchase Agreement and 2) the Gas Supply Asset Assignment and Agency Agreement both dated February 9, 1998 between Brooklyn Union and Enron Capital & Trade Resources Corp. (the "Agreements"). By letter dated February 10, 1998, Brooklyn Union requested trade secret protection of portions of the Agreements.

Brooklyn Union recognizes that members of the Department of Public Service Commission Staff routinely review all background data supporting the MCOG Statement. Accordingly, Brooklyn Union consents to the disclosure of the supporting background data labeled "Non-Public" to commission Staff in connection with such reviews, subject to the trade secret protections outlined in the Commission's regulations, including the right to secure a protective order denying access to such "Non-Public" supporting background data to persons or entities that seek access merely to obtain a competitive advantage.

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The deleted information, if disclosed to the public, would provide an opportunity for competitors or suppliers of Brooklyn Union to obtain an unfair advantage and would cause substantial injury to the competitive position of Brooklyn Union in pursuing least cost gas purchasing options in today's increasingly deregulated market.

For these reasons and for the reasons set forth in the previously referenced February 10, 1998 letter, Brooklyn Union respectfully requests trade secret protection of the support data labeled as "Non Public".

A copy of this letter, together with a copy of the Statements are being provided today to Secretary Crary and to Ms. Judy Chomycz, Cost Allocation and Rate Design Section of the Department of Public Service Commission Staff.

Respectfully Submitted,
By:
RRW:NCC:dh