..DID: 4046
..TXT: PSC NO: 12   GAS   LEAF: 411
COMPANY: THE BROOKLYN UNION GAS COMPANY   REVISION: 0
INITIAL EFFECTIVE DATE: 10/01/98   SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 411 Effective 10/01/1998
RECEIVED: 06/01/98 STATUS: Cancelled EFFECTIVE: 10/01/98

SERVICE CLASSIFICATION No. 19 - Continued

2)   In the event that the total quantity of gas delivered is less than Seller's ADDQ, Seller shall pay the Company a per therm amount equal to the Company's Daily ICOG multiplied by the difference between (I) Seller's ADDQ for such day and (ii) the total quantity of gas delivered by Seller to the Company on such day, bringing the imbalance in Seller's ADDQ to zero each day.

B)   If the total quantity of gas delivered by Seller to the Company on any day is more than ±2% greater than Seller's ADDQ for such day, or the Seller has not met its nomination and scheduling obligations, then,

1)   In the event that the total quantity of gas delivered to the city gate is more than 102% of the Customer's ADDQ, a penalty charge equal to $1.00 per therm will be applied to deliveries in excess of 102% of the Customer's ADDQ. This amount will be reduced by an amount equal to the deliveries in excess of the Customer's ADDQ multiplied by the Company's Daily Commodity Cost of Gas, bringing the imbalance in the Customer's ADDQ to zero each day.

2)   In the event that the total quantity of gas delivered to the city gate is less than 98% of the Customer's ADDQ, a penalty charge equal to $1.00 per therm will be applied to deliveries less than 98% of the Customer's ADDQ. This amount will be increased by any amount equal to the deliveries less the Customer's ADDQ multiplied by the Company's Daily ICOG, bringing the imbalance in the Customer's ADDQ to zero each day.

Provided, however, that the $1.00 per therm charge in B(1) and B(2) may be increased during critical periods (i.e. gas shortage).

Issued by: Robert J. Fani, Senior Vice President, Brooklyn, New York