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COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 0

INITIAL EFFECTIVE DATE: 10/01/98

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STAMPS:

Cancelled by 1 Rev. Leaf No. 422 Effective 10/01/1998

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FORM OF SERVICE AGREEMENT - Continued

4. Point(s) of Delivery, Customers' Names and Account Numbers. The Point(s) of Delivery for all gas transported by the Company for Seller's account hereunder shall be the outlet of the meter of each Customer in the Pool, which outlets are listed in Appendix "A" to this Agreement, attached hereto and made a part hereof. The name and account number of each Customer in the Pool also shall be set forth in Appendix "A."

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

6. Balancing Service (SC-16 Pool). Where a Pool is comprised of Customers taking CTB Service:

(a) The Company shall provide balancing service for gas delivered by Seller, or for Seller's account, up to an aggregate quantity of no greater than Seller's Redelivery Capacity Quantity of _____ dekatherms. The Company shall be required to receive the 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 there is a positive Redelivery Balance as of the effective date of such termination, the Company shall commence redelivery of gas to Customer's in the Pool up to the amount of such Redelivery Balance, at a daily a rate no less than Seller's Average Daily Delivery Quantity; and

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

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

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