

..DID: 5352
..TXT: PSC NO: 12 GAS LEAF: 407
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

SERVICE CLASSIFICATION No. 19 - Continued

Balancing Service Imbalance Charge

The Company will reconcile the total of the Daily Delivery Quantities and Daily Redelivery Quantities for the Seller during the twelve month period ending at the end of such Redelivery Period. If the total Daily Redelivery Quantities exceeds the total Daily Delivery Quantities, the Seller did not deliver enough gas to meet the Pool's annual demand for the period and the Seller shall be billed by multiplying such excess per therm by the Company's Actual Monthly ICOG for the Redelivery Period, as set forth on the Statement of Unbundled Transportation Service Cash Out Charges. If the total of the Daily Delivery Quantities for such period exceeds the total of the Daily Redelivery Quantities, such excess shall be added to the Seller's Redelivery Balance for the beginning of the next twelve month period.

In the event the Company determines, in its sole discretion, during the twelve months preceding the Redelivery Period that design winter conditions will not occur, the Customer shall have the option of reducing its year-end inventory to zero for such Redelivery Period. Such customer requests shall be individually scheduled with each customer. Notwithstanding this option, any year-end imbalance shall be treated in the manner set forth in this section.

City Gate Balancing

Seller shall be responsible for delivery each day to the Company of a quantity of gas equal to the ADDQ.

- A) Each day, Seller shall nominate and schedule deliveries of gas to the Company in an amount equal to the Seller's ADDQ. If the total quantity of gas delivered by Seller to the Company on any day is within $\pm 2\%$ of Seller's ADDQ for such day, and Seller has met its nomination and scheduling obligations hereunder, then,

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