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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)

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SERVICE CLASSIFICATION No. 15 - Continued

NOTICE OF CAPACITY AVAILABILITY

Except in the case of Gas Supply Management Arrangements, prior to posting the availability of capacity for release pursuant to the pipeline's bidding procedures, and after determining that it has capacity available, the Company will provide notice of such capacity availability.

The notice will initially be provided through telefax transmission and the Natural Gas Network (a commercial gas industry communications network offered by Logistic Solutions, Inc., Waltham, Mass.) to customers and other parties who request the receipt of such notices.

The notice may specify the following: the pipeline upon which the capacity is available for release, the maximum quantity of capacity available for release, any additional recall rights of the Company, the maximum term of the release, receipt and delivery points, the maximum pipeline rates, the minimum acceptable rate, the deadline for the submission of requests for the capacity, and other non-discriminatory terms and conditions.

PROCEDURES FOR REQUESTING CAPACITY

Customers and other parties may submit requests for available release capacity within the time period specified in the Company's notice. In order for the Company to consider as qualified a party's request for Capacity Release, such timely requests shall: 1) state the requestor's agreement to pay the minimum rate specified in the Company's notice for the capacity to be released, the amount of capacity requested, and the term of the requested release; and 2) be from requestors that have satisfied the credit requirements of this Service Classification.

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