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SERVICE CLASSIFICATION No. 15 - Continued

PIPELINE CHARGES AND COSTS

All payments for pipeline charges or other costs related to the Capacity Release shall be paid by Replacement Shipper to the applicable pipeline in accordance with that pipeline's FERC tariff. In the event that Replacement Shipper fails to make such payments and the Company is obligated to pay the pipeline(s), the Company shall have the right to obtain immediate reimbursement directly from Replacement Shipper.

The reimbursement shall include interest as prescribed by the Company's Tariff.

The Company reserves the right to terminate the Capacity Release Agreement and recall the released capacity in the event a Replacement Shipper fails to pay charges and costs associated with the Released Capacity or fails to reimburse the Company for payment of such charges or costs.

PIPELINE FUEL AND LOSS QUANTITIES

The fuel and loss quantities required by the pipeline(s) in conjunction with the transportation of the Replacement Shipper's gas shall be provided by the Replacement Shipper to the pipeline at no cost to the Company.

SCHEDULING AND BALANCING

As between the Company and the Replacement Shipper, Replacement Shipper shall be responsible for the nomination and scheduling to the pipeline(s) of transportation of the released capacity. In addition, the Replacement Shipper shall be responsible for monitoring and minimizing or eliminating, and paying any penalties associated with, imbalances in its transportation quantities.

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