

..DID: 5490
..TXT: PSC NO: 12 GAS LEAF: 289
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. 15 - Continued

INDEMNIFICATION

By executing a Capacity Release Agreement, the Replacement Shipper has agreed to assume all shipper obligations imposed by the pipeline(s) for the duration of the Capacity Release. Accordingly, the Replacement Shipper shall indemnify the Company from all losses and damages resulting from the actions or inactions of the Replacement Shipper and Subsequent Replacement Shippers under the Capacity Release Agreement and the pipeline service agreements(s). The Replacement Shipper also shall hold the Company harmless from any adverse claims to the gas transported under the Capacity Release.

COMPANY SERVICES

Replacement Shippers who seek to have local distribution services provided by the Company will be required to pay the appropriate charges as defined in the Company's Tariff for such services.

RE-RELEASES OF CAPACITY

Unless otherwise provided in the Capacity Release Agreement, Replacement Shippers may release to Subsequent Replacement Shippers the pipeline service entitlement which they acquire under the Capacity Release Agreement; provided that the Replacement Shipper shall cause the Subsequent Replacement Shipper to execute a Capacity Release Agreement with the Company, and the Replacement Shipper shall reimburse the Company for any payments to the pipeline(s) owed but not paid by the Subsequent Replacement Shipper and which the Company is obligated to pay.

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