

PSC NO: 1 GAS LEAF: 157
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 7
INITIAL EFFECTIVE DATE: 11/01/11 SUPERSEDING REVISION: 6
STAMPS: Issued in compliance with Orders in Case 06-G-1186 dated 01/19/10 and 10/18/11

SERVICE CLASSIFICATION No. 8
Seller Service (continued)

E. Statement of Seller Charges and Adjustments

Sellers shall pay rates and charges as set forth on the Statement of Seller Charges and Adjustments, which shall be filed by the Company with the Commission not less than four business days following the last day of each month.

The Statement of Seller Charges and Adjustments shall contain the following charges:

1. A. Swing Service Demand Charge

Applicable to Sellers participating in the Company's Monthly Balancing Program.

The Swing Service Demand Charge is a per dekatherm charge of the cost of firm interstate pipeline transportation capacity, storage capacity and supply contracts the Company uses to provide swing service to Sellers.

B. Daily Balancing Service Demand Charge

Applicable to Sellers participating in the Company's Daily Balancing Program.

The Daily Balancing Service Demand Charge is a per dekatherm charge of the cost of firm capacity the Company uses to provide daily balancing to Sellers

2. Unitized Fixed Cost Credits

Unitized Fixed Cost Credits are applicable to Sellers serving transportation customers served under Service Classification No. 5. The Unitized Fixed Cost Credits are determined in accordance with General Information on Leaf No 70 and specifically include: a) credits from sales to customers served under Service Classification 12; b) transportation revenues from power generators served under Service Classification Nos. 7 and 14; c) LIPA power plant transportation Credits; d) swing service demand charge credits from ESCOs providing service to SC 7 and 13 non core transportation customers under the Monthly Balancing Program; e) daily balancing service demand charge credits from ESCOs providing service to SC 7 and 13 non core transportation customers under the Daily Balancing Program;

3. Daily Cash Out Prices

Applicable to Sellers participating in either the Company's Monthly Balancing Program or Daily Balancing Program.

a) Monthly Balancing Program:

The Daily Cash Out Price is the Transco Zone 6 NY mid point price for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey and is reflected as a per dekatherm price.

Issued by: David B. Doxsee, Chief Financial Officer and Treasurer, Hicksville, NY