

PSC NO: 1 GAS LEAF: 131
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 3
INITIAL EFFECTIVE DATE: 12/01/11 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with Order in Case 11-G-0412 dated 11/18/11

SERVICE CLASSIFICATION No. 4
Interruptible Gas Service (continued)
(Rate Codes: 310, 310A, 311, 320, 321)

Terms:

Unless otherwise reflected, service under this Service Classification will be for a period of one year from the date of commencement of service and thereafter until terminated by either party. The service agreement is terminable by either party after one year from the commencement of service on six months' written notice to the other, or terminable in the manner provided by law and the rules and regulation set forth in the Company's Rate Schedule, on file with the Public Service Commission.

Special Provisions:

- (a) Distribution Facilities Allowances: Applicants will be furnished service when, in the Company's judgment, there is sufficient natural gas supply, capacity and facilities available for the service requested after taking into consideration the requirements of firm Customers, all Company uses and obligations, and existing Customers taking interruptible service.

If an applicant requests and is approved for gas service as an interruptible Customer, the Company will furnish, place and construct all mains, service lines, service connections and appurtenant facilities necessary to render the service requested. The applicant, prior to construction, must either 1) pay the estimated cost of these facilities in full, or 2) pay the estimated cost of these facilities less the Company's contribution as determined by a revenue test described below in a(i) and sign the service agreement set forth on Leaf No. 89, thus agreeing to be subject to the terms therein.

- (a)(i) The Company's contribution will be equal to an estimate of sales for the first twenty-four months of service multiplied by the three month average unit margin as defined in Rule II.1 and in effect on the date of the service agreement.

(a)(ii) An applicant who selects the revenue test option in a(2) must deliver to the Company, prior to the commencement of construction of any facilities, a surety bond or other security satisfactory to "National Grid" equal to the Company's contribution, which will be canceled whenever the total excess revenue is equal to the Company's contribution. If, within a five year period, the Customer's total excess revenue fails to meet the Company's contribution, the Customer shall forfeit that portion of the surety bond equal to the difference between the Company's contribution and the total excess revenue. The Company's contribution will include any adjustments in (a)(iii) below.

- (a)(iii) If, after twenty-four months of service, the actual excess revenue exceeds the amount that is estimated in (a)(i) above, the Customer will be reimbursed the revenue that exceeds the amount estimated in (a)(i).

Issued by: William J. Akley, President, Hicksville, NY