

PSC NO: 1 GAS LEAF: 159.1.2
 COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
 INITIAL EFFECTIVE DATE: 11/01/11 SUPERSEDING REVISION: 0
 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)

- 2) The Seller has a positive daily imbalance (overdelivery) that exceeds 5% then:

The Seller's positive daily imbalance quantity shall be credited to the Seller at the following daily cash out prices:

0 to 5%	Transferred to the Monthly Imbalance Account
>5% to 10%	95% times the Daily Cash Out Price
>10% to 15%	90% times Daily Cash Out Price
>15% to 20%	80% times the Daily Cash Out Price
>20%	50% times the Daily Cash Out Price

- 3) The Seller has a negative daily imbalance (underdelivery):

The Seller's negative daily imbalance quantity will be transferred to his Monthly Imbalance Account.

- c) If there is a System Wide Negative Imbalance such that the Aggregate Daily Imbalance Percentage Exceeds the -5% DIT and

- 1) The Seller has a negative daily imbalance that is less than -5% then:

The Seller's negative daily imbalance quantity will be transferred to his Monthly Imbalance Account

- 2) The Seller has a negative daily imbalance that exceeds -5% then:

The Seller's negative daily imbalance quantity will be purchased by the Seller at the following daily cash out prices:

0 to -5%	Transferred to the Monthly Imbalance Account
>-5% to -10%	105% of the Daily Cash Out Price
>-10% to -15%	110% of the Daily Cash Out Price
>-15% to -20%	120% of the Daily Cash Out Price
>-20%	150% of the Daily Cash Out Price

- 3) The Seller has a positive daily imbalance:

The Seller's positive daily imbalance quantity will be transferred to his Monthly Imbalance Account.

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