

PSC NO: 1 GAS LEAF: 158.1
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0
INITIAL EFFECTIVE DATE: 11/01/11 SUPERSEDING REVISION:
STAMPS: Issued in compliance with order in Case 06-G-1186 dated 01/19/10

SERVICE CLASSIFICATION No. 8
Seller Service (continued)

11. Unaccounted For Gas (UFG)

A percentage UFG described on General Information Leaf No. 17.1.

F. Monthly Balancing Program

Sellers serving customers taking transportation service under SC 7 or SC 13 may elect to participate in either the Company's Monthly Balancing Program or Daily Balancing Program. Sellers serving customers taking transportation service under SC 5 must participate in the Company's Monthly Balancing Program.

Sellers that participate in the Company's Daily Balancing Program will be allowed to return to the Monthly Balancing Program on a best efforts basis. If approved to switch by the Company, the Sellers' customers must remain in the Monthly Balancing Program for at least 12 months

The following provisions are applicable to the Monthly Balancing Program:

1. Delivery Quantity

Each month, the Company shall determine the Seller's DDQ and the Seller shall be obligated to deliver this amount each day to the Company's City Gate unless otherwise notified by the Company.

The Seller shall provide to the Company notice of the natural gas scheduled for delivery at the City Gate by interstate pipeline for each day of the succeeding month. The scheduled nomination must equal Seller's DDQ.

The Company is not obligated to accept any volumes that have been nominated by the Seller to the extent that such nomination exceeds Seller's DDQ

2. Daily Swing Service Monthly Demand Charge

The Company will utilize upstream assets and gas supply required to manage differences between the quantity of gas delivered each day by the Seller and the quantity of gas actually consumed each day by Seller or Seller's Customers.

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