

PSC NO: 12 GAS

LEAF: 411

COMPANY: THE BROOKLYN UNION GAS COMPANY

REVISION: 7

INITIAL EFFECTIVE DATE: 11/01/12

SUPERSEDING REVISION: 6

STAMPS:

SERVICE CLASSIFICATION No. 19 – continued

6. For Sellers participating in the Company's Monthly Balancing Program, the Company will determine the Seller's DDQ based upon the Pool's historical normalized consumption and/or estimates of consumption under normal conditions.

The Company may permit the Seller or Seller's Agent to reduce deliveries of the DDQ on one or more days during any winter month to prevent surplus deliveries when the temperature is projected to be higher than normal and increase deliveries of the DDQ on one or more days during any winter month to prevent shortage deliveries when the temperature is projected to be lower than normal. The change in deliveries will be based on current and forecasted variations from normal weather.

7. For Sellers that serve transportation customers that are telemetered, the Company will waive any imbalance penalty charges that arise as the result of a mechanical failure of the Company's telemetering equipment. Gas imbalances will be cashed out at the Daily Cash Out Price. If there is a Customer failure of telecommunications associated with the telemetering equipment, the Seller will incur the normal imbalance penalty charges. If there is an inactive telephone line, the customer will have eight (8) weeks to remedy. In the event of any equipment malfunctions, the previous day's actual read will be deemed to be the daily actual read until the situation is corrected. If the malfunction is due to customer reasons and is not remedied after eight (8) weeks, the Customer will be returned to the applicable sales service for a minimum of twelve (12) months. The Company shall not be liable for any inaccuracies in the consumption reported if they resulted from malfunctioning telemetering equipment, telephone line problems, customer failure to maintain customer equipment or any other reason outside the control of the Company.
8. Force Majeure: Seller will be excused from delivering the required gas supplies on any given day by reason of a Force Majeure event which directly and substantially affect Seller's natural gas deliveries to the Company. For purposes of this Service Classification, a Force Majeure event will be any failure of the final pipeline delivering gas to the Company or an upstream pipeline feeding such pipeline, with such failure having been classified as a Force Majeure event pursuant to the terms of that pipeline's Federal Energy Regulatory Commission-approved tariff. A legitimate Force Majeure event that curtails Seller's firm transportation service on an upstream pipeline that ultimately feeds a downstream pipeline, which directly and substantially affects a seller's natural gas deliveries to the Company, will excuse Seller from performing pursuant to this Service Classification to the extent of such curtailment. If at such time Seller is delivering gas to Customers on other systems, the volume excused from performance on the Company's system will be no more than a proportionate amount of the affected deliveries curtailed by the Force Majeure event. Seller is responsible for supplying complete information and verifiable proof of all the particulars requested by the Company related to any such Force Majeure exclusion. In order to validate a claim of Force Majeure, the Seller must have a firm, non-interruptible service with the affected pipeline that is covered by the Force Majeure event and must be willing to present such agreements to the Company.

Issued by: Kenneth D. Daly, President, Brooklyn, NY