

PSC NO: 1 GAS LEAF: 154.2
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 4
INITIAL EFFECTIVE DATE: 12/02/09 SUPERSEDING REVISION: 3
STAMPS: Issued in compliance with order in Case 06-G-1186 dated 06/23/09

SERVICE CLASSIFICATION No. 7
Interruptible Transportation Service (Continued)
(Rate Codes: 710, 710A, 711, 720, 721)

Special Provisions (continued):

A "warning letter" will be sent to customers after their first violation of the winter season. Failure to comply during the first system-wide test of the season, or any follow-up tests, is considered a violation.

There is an amnesty clause available to customers that experience an equipment failure. Should a customer's equipment fail to switch, it must notify the Company within one hour of the failure, and provide proof within two days that the equipment has been repaired and is operable. If a customer can demonstrate that it was unable to obtain and install the necessary equipment within two days, the customer shall have five more days to remedy the situation. The customer shall also provide proof that it has installed the necessary equipment. If a customer meets this criteria, the violation will be waived. If the customer cannot obtain and/or install the necessary equipment within seven days, the equipment failure will be considered a violation. However, there will be only one waiver of a violation allowed per winter season. Such waiver does not exempt the customer from having to pay any related overrun or unauthorized use charges.

- (m) When it becomes available, the Company shall offer Customers an interim monthly balancing service in which the Company shall determine the Customer's DDQ and the Customer shall be obligated to deliver this amount each day throughout the month to the Company's City Gate unless otherwise notified by the Company. Customers who elect to take this monthly balancing service option shall pay rates and charges set forth on the Statement of Seller Charges and Adjustments and shall adhere to the swing, city gate balancing, cash out and operations and communications provisions described on Leaf Nos. 157 through 159.1. This interim monthly balancing service will be superseded by the Company's daily balancing service when it becomes available.
- (n) Power generators that enter new service agreements with the Company under this service classification may be required to pay for a daily balancing service; power generators with existing service agreements under this service classification may be required to pay for a daily balancing service when the agreement is renewed or reaches its evergreen anniversary.

Issued by: Nick Stavropoulos, Executive Vice President, Hicksville, NY