

PSC NO: 1 GAS LEAF: 150
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 11
INITIAL EFFECTIVE DATE: 12/02/09 SUPERSEDING REVISION: 10
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, 711, 720, 721)

Receipt and Delivery of Customer-Owned Gas:

A Customer's Interruptible Daily Quantity (IDQ) under this Service Classification will be based upon the Customer's previous day's telemetered consumption. The Seller and/or Customer shall deliver an amount each day, made at its own discretion. Deliveries are expected to be load following on any given day. Unless interrupted on the Company's system, the Company will deliver to the Customer the customer's daily usage requirements.

Seller and/or Customer will nominate daily. Nominations will be based on a gas day 10am - 10am.

The Company may not accept the Seller's nominations to the Company's City Gate if the Company has interrupted service to the customer's facilities.

Imbalances in Customer's Account:

The Seller shall schedule deliveries to the Company's City Gate, grossed up for UFG, to account for fuel use and losses in the Company's delivery system.

At the end of each gas day, the Company shall determine whether the total quantity of gas delivered to the Company's city gate is greater than or less than the quantity delivered to the customer. This will be accomplished by comparing the customer's usage grossed up for UFG to his deliveries, resulting in a net over or under delivery.

Although the Seller's receipts and deliveries will be balanced daily, Seller will be billed monthly. Daily imbalances will be cashed out as follows:

Underdeliveries:

0 - 10% = Gas Daily Transco Zone 6 NY Midpoint
>10 - 20% = 120% of Gas Daily Transco Zone 6 NY Midpoint
>20% = 150% of Gas Daily Transco Zone 6 NY Midpoint

Overdeliveries:

0 - 10% = Gas Daily Transco Zone 6 NY Midpoint
>10 - 20% = 80% of Gas Daily Transco Zone 6 NY Midpoint
>20% = 50% of Gas Daily Transco Zone 6 NY Midpoint.

In addition to the daily cash outs, the Company shall balance the Seller's receipts and deliveries at the end of each month to zero. This shall be done by: 1) adjusting the monthly quantity of gas delivered by the Seller to the Company's city gate to reflect quantities that were cashed out daily during the month that were outside a tolerance of $\pm 10\%$ of the IDQ and 2) comparing the adjusted monthly delivery quantity to the Customer's monthly consumption grossed up for UFG.

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