

LEAF: 406.2

REVISION: 5

INITIAL EFFECTIVE DATE: 12/02/09

SUPERSEDING REVISION: 4

STAMPS: Issued in compliance with order in Case 06-G-1185 dated June 23, 2009

SERVICE CLASSIFICATION No. 19 – continued

- a) In the event that the total quantity of gas delivered to the city gate is less than 98% of the Seller's DDQ, Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus a City Gate Balancing Penalty Charge of \$10.00 per dekatherm multiplied by the difference between (i) 98% of the Seller's DDQ for such day and (ii) the total quantity of gas delivered by Seller to the Company on such day. However, when the Company issues an OFO, the Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus an OFO Penalty Charge equal to \$25.00 per dekatherm.
- b) In the event that the total quantity of gas delivered to the city gate is more than 102% of the Seller's DDQ, and the Company at its discretion accepts the gas, the Company shall pay Seller a per therm amount equal to the Company's Daily Cash Out Price multiplied by the difference between (i) the quantity of gas delivered by Seller to the Company on such day and (ii) 102% of Seller's DDQ for such day.
- c) In the event that the Company interrupts service for at least one gas day to Seller's serving pools comprised of NCTS-6C, NCTS-6G and NCTS-6M customers or NCTS-5-A customers and the Company accepts the Seller's gas deliveries to the city gate during that interruption, the Company shall purchase the Seller's gas at the Daily Cash Out Price.

3. Monthly Cash Out

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 any quantities that were cashed out daily during the month and 2) comparing the adjusted monthly delivery quantity to the Pool's monthly consumption grossed up for UFG.

The Company shall adjust the monthly delivery quantity to reflect any quantities that were cashed out daily as follows:

- a) On days in which the quantity of gas delivered to the city gate is less than 98% of the Seller's DDQ, the quantities cashed out shall be added to the Seller's monthly delivery quantity.

Issued by: Andrew F. Sloey, Senior Vice President, Brooklyn, New York