

PSC NO: 1 GAS LEAF: 150
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 13
INITIAL EFFECTIVE DATE: 11/10/10 SUPERSEDING REVISION: 12
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)

C. Daily Balancing Transportation Service

The following provisions are applicable to the Daily Balancing Transportation Service:

1. 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.

2. Imbalances in Customer's Account:

The Seller shall schedule deliveries to the Company's City Gate points of receipt as described in the GTOP, 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 for customers provided service under SC 7 and 13 is greater than or less than the total quantity of gas consumed by the SC 7 and 13 customers grossed up for UFG.

An Aggregate System Underdelivery results when the quantity of gas delivered to the Company is not adequate to meet total consumption grossed up for UFG.

An Aggregate System Overdelivery results when the quantity of gas delivered to the Company exceeds total consumption grossed up for UFG.

The Company shall compute an Aggregate Daily Imbalance Percentage by taking the absolute value of: 1) the total daily quantity of gas delivered to the city gate for SC 7 and 13 customers divided by; 2) the total daily quantity of gas consumed by the SC 7 and 13 customers grossed up for UFG less; 3) 100%.

The Company shall also determine for each customer whether the 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. A daily imbalance percentage will be determined for each customer taking the absolute value of: 1) the total daily quantity of gas delivered to the city gate for the customer divided by; 2) the total daily quantity of gas consumed by the customer grossed up for UFG less; 3) 100%.

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

Aggregate Daily Imbalance Percentage is 10% or Less

Customer Underdeliveries = Gas Daily Transco Zone 6 NY Midpoint

Customer Overdeliveries = Gas Daily Transco Zone 6 NY Midpoint

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