Status: CANCELLED Effective Date: 10/01/2010

PSC NO: 12 GAS LEAF: 381.2 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0 INITIAL EFFECTIVE DATE: 10/01/10 SUPERSEDING REVISION:

STAMPS:

SERVICE CLASSIFICATION No. 18 – Continued

F. SPECIAL PROVISIONS – continued

7.2 **Customer Failure**

During each winter season (i.e. October through March), a Customer that does not interrupt gas service when required to do so, except for the permitted two therms per hour, for any two occurrences (consecutive or non-consecutive), will be notified that they have violated the service requirements of the interruptible tariff. For sales Customers, effective with the next billing period following the second notice of violation, and for transportation Customers, effective as soon as practicable, such Customers will be transferred to the equivalent firm service classification unless (i) the Company has been notified in writing that the Customer has chosen to terminate gas service or (ii) the Customer has been notified that the Company has determined in its sole discretion that it can not provide firm service to the Customer, and service will be terminated in thirty (30) days. Customers transferred from interruptible to firm service are required to remain on firm service for the remainder of that winter season through the end of the next winter season. After that time, a Customer becomes eligible to re-apply for interruptible service.

A "warning letter" will be sent to Customers after their first violation of the winter season. Failure to comply during a system-wide test 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, amnesty for the violation will apply. 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 grant of amnesty of a violation allowed per winter season. Such grant of amnesty does not exempt the Customer from having to pay any additional charges or non-compliance charges.

Issued by: Andrew F. Sloey, Chief Financial Officer, Brooklyn, NY