

PSC NO: 1 GAS LEAF: 182  
 COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 11  
 INITIAL EFFECTIVE DATE: 10/01/10 SUPERSEDING REVISION: 10  
 STAMPS:

Service Classification No. 13  
 Temperature-Controlled Transportation Service (continued)  
 (Rate Codes: 730, 731, 732)

Special Provisions (continued):

- a. Warranty of Title: Seller warrants that, at the time of delivery of gas to the Company, Seller or Customer will have good title to deliver all gas volumes available.
9. Fuel Use and Loss Allowances:
    - a. Charges for gas are applicable to quantities metered at the customer's metered facilities.
    - b. As an allowance for fuel use and losses incurred in the process of delivery between the City Gate and the customer's metered facilities, the Customer shall deliver to the Company's City Gate a quantity of gas grossed up for UFG.
  10. Reassignment of Gas: A Customer that takes service under this Service Classification must take delivery of the gas at its facilities and may not remeter (or submeter), resell, assign, or otherwise dispose of the customer-owned gas to others for delivery at other facilities on the company's system.
  11. Except as specified above, or in the Customer's Service Agreement, all provisions of the sales Service Classification that would otherwise apply to services to the Customer are specifically incorporated herein and shall apply to the transportation services provided hereunder.
  12. When it is available, the Company shall offer Customers an interim monthly balancing service option in which the Company shall determine the Customer's DDQ and the Customer shall be obligated to deliver this amount each day during the month to the Company's City Gate unless otherwise notified by the Company. Customers who elect to take this interim 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 This interim monthly balancing service will be superseded by the Company's daily balancing service when it becomes available.

Customer Failure

Whenever the Company becomes aware that the Customer's equipment is incapable of switching over to an alternate fuel and/or that the Customer does not have a reasonable amount of fuel on hand considering the time of the heating season, the Company shall notify the Customer within forty-eight (48) hours that the violation must be corrected within ten (10) calendar days. It shall be the responsibility of the Customer to contact the Company and provide proof that the violation has been corrected. However, this will not apply if the Customer has previously stipulated in writing that the Customer is willing and able to shut down during periods of interruption.

With regard to the inadequate fuel situation and/or equipment failure, Customers who have not supplied the Company with such proof shall be subject to 130% of their otherwise applicable variable transportation rate ("non-compliance charge"). Such non-compliance charge shall be in lieu of their otherwise applicable variable rate and shall be effective for the billing period during which non-compliance becomes known, and for any subsequent periods until the Customer provides the Company with satisfactory proof that the violation has been corrected, and is subject to all applicable utility taxes and surcharges. Customers subject to this higher variable rate continue to be subject to the terms and conditions of this service classification. If a non-compliance charge is charged in the same period that an "Additional Charge" is assessed, the non-compliance bill will not include consumption charged under the "Additional Charge."

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