

SERVICE CLASSIFICATION NO. 8 (Cont'd.)

(B) (Cont'd.)

(C) A customer transporting gas under this Service Classification is required to (a) balance the volumes delivered to the Company with actual usage each day and monthly within the tolerances specified in section "Rate-Four Part-Monthly", Item 2, "Over- and Under-Delivery Charges", or (b) elect to have a gas seller or broker approved by the Company, hereinafter defined as a Qualified Seller, perform the balancing service pursuant to Service Classification No. 13. For customers electing (b) above, the over-delivery and under-delivery charges specified in "Rate-Four Part-Monthly", Item 2, will be billed to their Qualified Sellers and the Qualified Sellers will be primarily responsible for such charges. If for any reason a Qualified Seller does not pay the under-delivery or over-delivery charges, however, the Company retains the right to bill the customer for such charges.

(D) A customer transporting gas under this Service Classification is required to (a) nominate and schedule the volumes to be delivered to the Company's citygate each day or (b) elect to have a gas seller or broker approved by the Company, hereinafter defined as a Qualified Seller, perform the nominating and scheduling service pursuant to Service Classification No. 13.

(E) If during periods of interruption by the Company, the Company continues to accept a customer's gas at the receipt points, the Company will waive any over-delivery charges and will coordinate with the customer to adjust future deliveries at the receipt point to eliminate the over-delivered volumes.

(1) Transportation Charge

Issued By: John D. McMahon, President, Pearl River, New York  
(Name of Officer, Title, Address)