

PSC NO: 1 GAS LEAF: 66
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 11/01/07 SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with order in Case No. 06-G-0059 dated 8/23/07

GENERAL INFORMATION

II. Rules and Regulations (continued):

7B. Restrictions and Limitations, Gas Service Curtailment (continued):

- .3.2 The Company will apply penalty and balancing charges to non-Company supplied Customers who use more gas than has been nominated or delivered for them by their supplier. See C. below.
- .4 Special Curtailment Conditions for Residential and Other Human Needs Customers Who Purchase Non-Company Gas
 - .4.1 Residential and other Human Needs Customers who purchase non-Company gas have the right, under the Home Energy Fair Practices Act (HEFPA), to purchase Company gas as the supplier of last resort.
 - .4.2 Critical Care Customers will receive the same priority as Residential Sales Customers.
 - .4.3 The Company may require that these Transportation Customers take a standby supply service from the Company.
- .5 Penalty for Excess Usage During a Curtailment
 - .5.1 The Company will determine a base level of usage for each Customer and assess a penalty in addition to the incremental costs of gas for usage above that level, taking into consideration the customer's priority level.
 - .5.2 The Company will calculate the customer's base level by averaging the customer's weather-normalized usage for the previous three (3) years or, if the Company does not have a three-year history for the Customer, by averaging the available data.
 - .5.3 The penalty, which is in addition to the incremental costs of gas, will be twenty-five (\$25.00) per Dekatherm of excess usage when an operational flow order is in effect.
- .6 Notice of Curtailments:
 - .6.1 With respect to curtailments of service provided for herein, the Company will notify the Director of the Office of Gas and Water of the NYS PSC when a curtailment is declared and when the situation returns to normal.
 - .6.2 The Company will use its best efforts to give oral or written notice of a curtailment prior to implementation thereof. When notice of curtailment is given, a customer must curtail its use of service pursuant to the notice. To the extent that the Company is unable to provide prior notice of curtailment, notice will be provided in the following manner:
 - .6.2.1 Notice to core customers of curtailment and the extent thereof will be reflected on the customer's bill covering the period during which such curtailment occurred.
 - .6.2.2 Notice to all other customers will be provided as promptly as is practicable.

Issued by: Joseph F. Bodanza, Senior Vice President, Hicksville, NY