

PSC NO: 1 GAS LEAF: 133
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 3
INITIAL EFFECTIVE DATE: 10/29/04 SUPERSEDING REVISION: 2
STAMPS:

SERVICE CLASSIFICATION No. 4
Interruptible Gas Service (Continued)
Rate Codes: 310, 310A, 311, 320, 321)

Special Provisions (continued):

(e) Penalties:

For gas consumed in violation of this Service Classification without the express written authorization of the Company, an additional charge of either (1) two times the sum of the Market Price for natural gas delivered to the Company's city gate on the day of violation plus the transportation rate the Customer would be subject to if it was a transportation Customer, or (2) nine times the applicable sales rate, whichever is higher. All charges are subject to all utility taxes and surcharges. *Market Price* shall be defined as the city gate delivered market price for natural gas on the days of interruption as quoted by *AGas Daily@* Where a condition is experienced by the consumer which prevents the required transfer from gas, the Customer agrees to immediately notify the Company and to take immediate action to correct such condition, and to notify the Company when such condition has been corrected.

In addition, the Company reserves the right to discontinue service immediately to the Customer or to the premises where there is failure to comply with Special Provision (j) of this Service Classification.

- (f) Remote Reading Devices: Remote reading devices are required for all Customers contracting for this service. New Customers will be required to pay, prior to the initiation of service and subject to Special Provision (a), the additional cost of the remote device in excess of a regular meter. All Customers will bear all telephone charges for communicating meter usage information to the Company.
- (g) Negotiated Contracts: The Company reserves the right to negotiate individual contracts with Customers whose annual natural gas requirements equal or exceed 100,000 dth.
- (h) Notice of Interruption: "KeySpan Energy Delivery-Long Island" is deemed to have provided adequate notice if the Company has made a good faith effort to notify by attempting to call the telephone number designated by the Customer in the Interruptible Gas Service Agreement for purposes of such notification whether or not the Customer is available to answer such call.
- (i) Periodic Review of Distribution System Operating Constraints: The Company will review the operating constraints on its distribution system on a periodic basis. To the extent the Company finds, as a result of that review, that those constraints have changed, the Company will notify any affected Customers accordingly. If a DSRS Customer's location on the system has been upgraded, the Company will give the Customer the option of electing to receive service under one of the other categories in this service classification. If the location of any Customer receiving service under any of the other categories in this service classification has been downgraded to the point that the Customer's location is in a constrained area, the Company will immediately transfer the Customer to the DSRS category.

Issued by: Joseph F. Bodanza, Senior Vice President and Chief Accounting Officer, Hicksville, NY