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PSC NO: 1 GAS
COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 6
TNITTIAL FEFFCTIVE DATE: 10/29/04
SUPERSEDING REVISION: 5 STAMPS: Issued in compliance with order in Case 04-G-0944 dated 10/21/04

## SERVICE CLASSIFICATION No. 4 Interruptible Gas Service

Rate Codes: 310-Category A

310A- Category DSRS 311-Category C 320-Category B 321-Category D

## Applicable to Use of Service for:

Service is available under this Service Classification for provision of natural gas to commercial and industrial Customers who by written contract agree to:

- use the service furnished hereunder only in the equipment specified in said contract;
- not use in said equipment any gas service furnished by the Company other than the gas service furnished under this Service Classification or under Service Classification No. 7;
- (iii) discontinue the use of gas service furnished hereunder, upon 4 hours notice (or on one hour notice in the case of system emergencies) to the Customer by the Company;
- provide and maintain complete and adequate standby facilities except as may be permitted by the Company in its sole discretion because of the nature of the Customer's operations; and (iv)
- unless otherwise expressly authorized by the Company in writing, must have  $(\nabla V)$ provable storage capacity and alternate fuel on hand to withstand interruptions of service for at least ten days at the beginning of the heating season. If Customer lacks sufficient storage to hold ten days of supply, Customer must enter the heating season with filled tanks and arrangement providing for replenishment of storage tanks such that the initial storage plus the replenishment equals the required storage inventory. This requirement is for Customers whose alternate fuel is distillate and non-distillate in the case of human needs Customers.
- (vi) Whenever the Company becomes aware that the Consumer $\Rightarrow$  equipment is incapable of switching over to an alternate fuel and/or that the Consumer incapable of switching over to an alternate fuel and/or that the Consumer does not have a reasonable amount of fuel on hand considering the time of the heating season (at times other than a Company called interruption), the Company shall notify the Consumer that the violation must be corrected within ten (10) business days. It shall be the responsibility of the Consumer to contact the Company and provide proof that the violation has been corrected. However, this will not apply if the Customer stipulates in writing that they re willing and able to shut down during periods of interruption interruption.

With regards to the inadequate fuel situation and/or equipment failure, Customers who have not supplied the Company with such proof shall be subject to the higher of the variable rate equal to the greater of 130% of the No. 2 oil gas equivalent price (as published in the Journal of Commerce) or 130% of their otherwise applicable variable sales or transportation rate, whichever applies. Such variable rate 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 during which the non-compliance continues or the date the Customer provides the Company with satisfactory proof that the any subsequent periods during which the hon-compilance continues of the date the Customer provides the Company with satisfactory proof that the violation has been corrected, and is subject to all applicable utility taxes and surcharges. Consumers subject to this higher variable rate continue to be subject to the terms and conditions of this service classification, including an additional charge for gas consumed in violation of this Service Classification without the express written authorization of the Company.

Availability of such service shall be subject to the conditions set forth n the Special Provisions and Rule II.7B. New customers will be required to use at least 5,000 DTH annually to qualify for this service.

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