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..TXT: PSC NO: 1 GAS LEAF: 140
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0
INITIAL EFFECTIVE DATE: 03/18/99 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 140 Effective 07/01/1999
Effective date postponed to 07/01/99. See Supplement No. 2, 1, 1
RECEIVED: 02/16/99 STATUS: Cancelled EFFECTIVE: 07/01/99

SERVICE CLASSIFICATION No. 5
Firm Transportation Service (Continued)
(Rate Codes: 127, 137, 147, 167, 177, 158, 159, 257)

Release of the Company's Upstream Transportation (continued):

This option is only available to the extent the Company, in its reasonable discretion, has upstream interstate pipeline capacity available for release. In exercising its reasonable discretion, the Company will limit the available capacity for release to a Seller on a monthly basis as follows:

- (I) for the period between November 1 and March 31, to the highest applicable DTQ and ADTQ for any one month within such period as estimated for the first day of the term; and
- (ii) for the period between April 1 and October 31, to the highest applicable DTQ and ADTQ for any one month within such period as calculated based on the latest available usage data.

The Company will release additional capacity in any month above the aforementioned limitations to the extent such released capacity together with deliveries from Seasonal Delivery Service is needed to deliver a customer's DTQ or customers' ADTQ in that month or the Company will reduce the applicable customer's DTQ to the extent that additional capacity is unavailable.

In addition, the Company will not make available for release any capacity that the Company determines is required to meet its firm sales requirements, to meet its balancing requirements, to maintain its system reliability, or to meet third party obligations existing before April 1, 1996.

The Company, in its reasonable discretion, may determine the term of all pre-arranged capacity release transactions. A Seller that wishes to become a replacement shipper of the company's available released capacity must notify the Company of its intention to become a replacement shipper at least forty-five (45) days before the first day of the proposed capacity release transaction. The Company will notify the Seller of its acceptance or rejection of the offer to become a replacement shipper of the company's released capacity no later than five (5) business days after the company's receipt of a capacity release proposal. The Company will confirm the release transaction no later than twenty (20) days before the first day of the proposed capacity release transaction.

Individually Negotiated Service:

Notwithstanding any provision contained in this Service Classification, the Company maintains the right to individually negotiate service agreements for the provision of firm transportation service subject to the prevailing test to determine the appropriateness of streaming transactions applied by the NYS Public Service Commission.

Heating Value Adjustment:

The volume of gas registered by the customer's meter, in 100 Cu. Ft. will be converted to therms as explained in Rule II.3G.

Issued by Robert J. Fani, Senior Vice President, Hicksville, NY