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..TXT: PSC NO: 1 GAS LEAF: 38
COMPANY: MARKETSPAN GAS CORPORATION DBA BROOKLYN UNION REVISION: 0
INITIAL EFFECTIVE DATE: 12/01/98 SUPERSEDING REVISION:
STAMPS:
CANCELLED effective 06/29/99
RECEIVED: 07/31/98 STATUS: Cancelled EFFECTIVE: 07/01/99

GENERAL INFORMATION**II. Rules and Regulations (continued):****3C. Deposits and Advanced Payments (continued):**

- .2.5.1 If a deposit review shows that the deposit held falls short of the amount that the Company may lawfully require by 25 percent or more, the Company may require the payment of a corresponding additional deposit from the customer.
- .2.5.2 If a deposit review shows that the deposit held exceeds the amount that the Company may lawfully require by 25 percent or more, the Company shall refund the excess deposit to the customer in accordance with Rule 3C.2.8.
- .2.5.3 Upon request of a customer for a downward revision of the deposit, which request is substantiated both by the customer's billing history and by a permanent documented change in load and consumption, the Company shall refund any portion of the deposit in excess of the amount the Company may lawfully require in accordance with Rule 3C.2.8.
- .2.6 Deposit alternative: A surety bond or an irrevocable bank letter of credit may be substituted for the deposit.
- .2.7 Interest: Every cash deposit shall accrue interest at a rate prescribed at least annually by the Public Service Commission. Interest shall be paid to the customer upon the return of the deposit, or where the deposit has been held for a period of one year or more, the interest shall be credited to the customer no later than the first bill rendered after the next succeeding first day of October and at the expiration of each succeeding one year period. Interest shall be calculated on the deposit until the day it is applied as a credit to an account or the day on which a refund check is issued. If the deposit is credited in part and refunded in part, interest shall be calculated for each portion up to the day of credit and refund.
- .2.8 Deposit Return:
 - .2.8.1 The Company shall return a deposit or portion thereof plus the applicable interest as soon as reasonably possible, but no more than 30 days after: the day an account is closed; the issuance date of the first cycle bill rendered after a three year period during which all bills were timely paid, provided there is no other basis for the utility to request a deposit under Rule 3C.2.1.2; or a review pursuant to Rule 3C.2.5 which shows that a deposit reduction is warranted.
 - .2.8.2 A deposit or portion thereof plus the applicable interest that is subject to return pursuant to Rule 3C.2.8.1: shall be credited to the account it secured in the amount of any outstanding charges; may be credited to the account it secured in the amount of the next projected cycle bill, if applicable; and may be credited to any other account of the customer not secured by a deposit, in the amount of the arrears on the account.

Issued by Kathleen A. Marion, Secretary
175 East Old Country Road, Hicksville, NY