

PSC NO: 1 GAS LEAF: 158.2
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 05/01/16 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with Order in C. 14-G-0330 and C. 06-G-1186 dated 10/23/14

SERVICE CLASSIFICATION No. 8

Seller Service (continued)

F. Core Monthly Balancing Program (continued)

2. City Gate Balancing

Each day, Seller or Seller's Agent shall nominate and schedule deliveries of gas to the Company's city gate in an amount equal to the Seller's Core DDQ.

- a) In the event that the total quantity of gas delivered to the city gate is less than the Seller's Core DDQ, Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus a City Gate Balancing Penalty Charge of \$10.00 per dekatherm multiplied by the difference between (i) the Seller's Core DDQ for such day and (ii) the total quantity of gas delivered by Seller to the Company on such day. However, when the Company issues an OFO, the Seller shall pay a per therm amount equal to the Company's Daily Cash Out Price plus an OFO Penalty Charge equal to \$25.00 per dekatherm.
- b) In the event that the total quantity of gas delivered to the city gate is more than the Seller's Core DDQ, and the Company at its discretion accepts the gas, the Company shall pay Seller a per therm amount equal to the Company's Daily Cash Out Price multiplied by the difference between (i) the quantity of gas delivered by Seller to the Company on such day and (ii) Seller's Core DDQ for such day.

3. Weather True-up

- a) The Company will perform a Weather True-up adjustment each gas day to account for any differences between actual and forecasted daily temperatures and the impact of these temperature differences on the Seller's daily delivery quantity. The Weather True-up adjustment will be applied to the Seller's Tier 2B Retail Access Storage inventory balance on a one-day lagged basis.
 - 1) If actual daily temperatures are warmer than forecasted, the weather true-up adjustment will be positive and will increase the storage inventory balance.
 - 2) If actual daily temperatures are colder than forecasted, the weather true-up adjustment will be negative and will reduce the storage inventory balance.

Issued by: David B. Doxsee, Vice President, Hicksville, NY