Received: 07/31/2014 Status: CANCELLED Effective Date: 11/01/2014

PSC NO: 1 GAS

COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 10
INITIAL EFFECTIVE DATE: 11/01/14

SUPERSEDING REVISION: 7
STAMPS:

SERVICE CLASSIFICATION No. 8

Seller Service (continued)

- E. Statement of Seller Charges and Adjustments (continued)
- 2. Daily Balancing Service Demand Charge

Applicable to Sellers participating in the Company's Daily Balancing Program.

The Daily Balancing Service Demand Charge is a per dekatherm charge of the cost of firm capacity the Company uses to provide daily balancing to Sellers serving SC 7 and SC 13 customers under the Daily Balancing Program.

3. Unitized Fixed Cost Credits

Unitized Fixed Cost Credits are applicable to Sellers serving transportation customers served under Service Classification No. 5. The Unitized Fixed Cost Credits are determined in accordance with General Information on Leaf No. 70 and specifically include: a) credits from sales to customers served under Service Classification 12; b) transportation revenues from power generators served under Service Classification Nos. 7 and 14; c) LIPA power plant transportation Credits; d) swing service demand charge credits from ESCOs providing service to SC 7 and 13 non-core transportation customers under the Non-Core Monthly Balancing Program; e) daily balancing service demand charge credits from ESCOs providing service to SC 7 and 13 non-core transportation customers under the Daily Balancing Program.

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