

PSC NO: 1 GAS LEAF: 159.3
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 4
INITIAL EFFECTIVE DATE: 04/01/15 SUPERSEDING REVISION: 3
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)

J. Mandatory Capacity Program (Continued)

3. Tier 2B - Retail Access Storage

a) Quantity

The Company will provide Sellers Tier 2B Retail Access Storage from November 1st through April 30th. Prior to the start of each month, the Company will determine the quantity of Tier 2 Retail Access Storage to be provided each Seller by multiplying: 1) the capacity of the Company's Retail Access Storage contracts specified in the GTOp Manual by; 2) the ratio of the Seller's Slope Component to the Company's Slope Component.

b) Monthly Charges

Tier 2B Demand Price

The Tier 2B Demand Price stated in dollars per dekatherm is a capacity price determined by adding: 1) the Company's weighted average cost of storage capacity multiplied by the Retail Access Storage capacity plus; 2) the annual fixed costs of the storage transportation contracts plus; 3) the annual fixed costs of the Company's pipeline transportation contracts required to refill Retail Access Storage for the period May through October plus; 4) the annual fixed costs of the Company's peaking service contracts used to provide Tier 3 Peaking Service and then dividing by; 5) the Company's Retail Access Storage capacity.

Seller will pay each month from November 1st to April 30th a Tier 2 Demand Charge computed by multiplying: 1) the Tier 2B Demand Price by; 2) the Seller's Tier 2B Retail Access Storage capacity and then dividing by; 3) six.

Tier 2B Commodity Price

The Tier 2B Commodity Price stated in dollars per dekatherm is determined by adding: 1) the Company's weighted average storage inventory price of the Tier 2B Retail Access Storage contracts plus 2) the variable unitized costs to withdraw and deliver this storage inventory to the city gate.

Seller will pay on each month a Tier 2B Commodity Charge computed by multiplying 1) the Tier 2B Commodity Price per dekatherm price by 2) the Tier 2B volumes the Seller delivers to the Company's city gate.

c) Nominations, Operations and Inventory Transfer

In accordance with the GTOp Manual.

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