Received: 11/30/2011 Status: CANCELLED Effective Date: 12/01/2011

PSC NO: 1 GAS

COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 10
INITIAL EFFECTIVE DATE: 12/01/11

STAMPS: Issued in compliance with Order in Case 11-G-0412 dated 11/18/11

SERVICE CLASSIFICATION No. 4

Interruptible Gas Service

Rate Codes: 310-Category A 310A- Category DSRS

311-Category C 320-Category B 321-Category D

Applicable to Use of Service for: Service is available under this Service Classification for provision of natural gas to commercial and industrial Customers who by written contract agree to:

- use the service furnished hereunder only in the equipment specified in said contract; (i)
- not use in said equipment any gas service furnished by the Company other than the gas service furnished under this Service Classification or under Service Classification No. 7; (ii)
- (iii) In the event that the Company calls on peaking supplies to serve firm customers or if the Company, at its sole discretion, determines that it is warranted to protect the reliability and safety of the system for firm Customers, the Company will interrupt service to all Customers on this service classification. The Company will endeavor to provide notification (within two hours) of this scheduled interruption.
- provide and maintain complete and adequate standby facilities except as may be permitted by the Company in its sole discretion because of the nature of the Customer's operations; and
- unless otherwise expressly authorized by the Company in writing, must have provable storage capacity and alternate fuel on hand to withstand interruptions of service for at least ten days at the beginning of the heating season. If Customer lacks sufficient storage to hold ten days of supply, Customer must enter the heating season with filled tanks and arrangement providing for replenishment of storage tanks such that the initial storage plus the replenishment equals the required storage inventory. This requirement is for Customers whose alternate fuel is distillate and non-distillate in the case of human needs Customers. (V)
- Whenever the Company becomes aware that the Customer's equipment is incapable of switching to an alternate fuel and/or that the Customer does not have a reasonable amount of fuel on hand considering the time in the heating season, the Company will notify the Customer within forty-eight (48) hours that the violation must be corrected within ten (10) calendar days. It will be the responsibility of the Customer to contact the Company and provide proof that the violation has been corrected. However, this violation will not apply if the Customer has previously stipulated in writing that the Customer is willing and able to shut down during periods of interruption. (vi)

Customers that receive notice from the Company regarding inadequate standby fuel and/or equipment failure that fail to supply the Company with proof will be subject to a non-compliance per therm charge equal to the greater of 130% of the No. 2 oil gas equivalent price (as published in the Journal of Commerce NY barge consumer No. 2 oil) or 130% of their otherwise applicable variable sales rate. For Customers taking Interruptible Transportation services the non-compliance charges 130% of their otherwise applicable variable sales rate. For Customers taking Interruptible Transportation service, the non-compliance charges will be 130% of the applicable month's posted Interruptible Transportation Rate, SC 7. Such non-compliance charge, which will be subject to all applicable utility taxes and surcharges, will be in lieu of the otherwise applicable variable rate and will be effective for the billing period during which non-compliance becomes known, and for any subsequent periods until the Customer provides the Company with satisfactory proof that the violation has been corrected. Customers subject to this higher variable rate continue to be subject to all terms and conditions of this Service Classification. If a Customer's action during a specific time period results in both non-compliance and Unauthorized Use charges being warranted, only the Unauthorized Use charges will be billed.

Availability of such service shall be subject to the conditions set forth n the Special Provisions and Rule II.7B. New Customers will be required to use at least 5,000 DTH annually to qualify for this service.

Issued by: William J. Akley, President, Hicksville, NY