

SERVICE CLASSIFICATION No. 19 – continued

- The Company may permit the Seller or Seller's Agent to reduce deliveries of the DDQ on one or more days during any winter month to prevent surplus deliveries when the temperature is projected to be higher than normal and increase deliveries of the DDQ on one of more days during any winter month to prevent shortage deliveries when the temperature is projected to be lower than normal. The change in deliveries will be based on current and forecasted variations from normal weather.

7. For Sellers that serve transportation customers that are telemetered, the Company will waive any imbalance penalty charges that arise as the result of a mechanical failure of the Company's telemetering equipment. Gas imbalances will be cashed out at the Daily Cash Out Price. If there is a Customer failure of telecommunications associated with the telemetering equipment, the Seller will incur the normal imbalance penalty charges. If there is an inactive telephone line, the customer will have eight (8) weeks to remedy. In the event of any equipment malfunctions, the previous day's actual read will be deemed to be the daily actual read until the situation is corrected. If the malfunction is due to customer reasons and is not remedied after eight (8) weeks, the Customer will be returned to the applicable sales service for a minimum of twelve (12) months. The Company shall not be liable for any inaccuracies in the consumption reported if they resulted from malfunctioning telemetering equipment, telephone line problems, customer failure to maintain customer equipment or any other reason outside the control of the Company.

Issued by: Alan P. Foster, Senior Vice President and Controller, Brooklyn, NY