

SERVICE CLASSIFICATION No. 18 – Continued

7.2 Customer Failure

Any transportation Customer, effective as soon as practicable, will be transferred to the equivalent firm service classification unless (i) the Company has been notified in writing that the Customer has chosen to terminate gas service or (ii) the Customer has been notified that the Company has determined in its sole discretion that it can not provide firm service to the Customer, and service will be terminated in thirty (30) days. Such Customers transferred to firm service are required to remain on firm service for the remainder of that winter season and through the end of the next winter season. Such Customers who have either elected to terminate service pursuant to (i), above or whose service has been terminated pursuant to (ii) above, may not return to service under this Rate Schedule for the remainder of that winter season and through the end of the next winter season. After that time, a Customer becomes eligible to re-apply for any non-firm service.

There is an amnesty clause available to Customers that experience an equipment failure. Should a Customer's equipment fail to switch, the Customer must notify the Company within one hour of the failure, and provide proof within two days that the equipment has been repaired and is operable. If a Customer can demonstrate that it was unable to obtain and install the necessary equipment within two days, the Customer will have five more days to remedy the situation. The Customer will provide proof that it has installed the necessary equipment and that it is operable. If a Customer meets these criteria, amnesty for the violation will apply. If the Customer cannot obtain and/or install the necessary equipment within seven days, the equipment failure will be considered a violation..

Amnesty will not apply if the Customer's failure to switch was caused by an inadequate supply of its alternate fuel. Only one grant of amnesty of a violation will be allowed per winter season. Such grant of amnesty does not exempt the customer from having to pay any applicable charges, including Unauthorized Use Charges or Non-Compliance Charges.

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