

PSC NO: 1 GAS LEAF: 133.2
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 08/01/12 SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with Order in Case 11-G-0543 dated 05/23/12

SERVICE CLASSIFICATION No. 4
Interruptible Gas Service (Continued)
(Rate Codes: 310, 310A, 311, 320, 321)

Special Provisions (continued):

(j) Non-Compliance Charges for Equipment Failure and/or Inadequate Fuel on Hand:

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. Any such violation will not trigger penalties if the Customer has previously stipulated in writing that the Customer is willing and able to shut down during periods of interruption.

Customers that receive notice from the Company regarding inadequate standby fuel and/or equipment failure that fail to supply the Company with proof that the violation has been corrected will be subject to a non-compliance charge per therm 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 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 interruption results in both non-compliance and Unauthorized Use charges being warranted, only the Unauthorized Use charges will be billed.

(k) Communications Protocol.

Effective October 2012, the Company will maintain a database of contact information for all of its interruptible customers and interested stakeholders (e.g., DPS Staff, ESCOs, NYSERDA and oil associations). This database will be used to provide notifications to these customers and stakeholders regarding the Company's interruptible service, including: forecast temperatures, potential interruptions, and the initiation/conclusion of actual interruptions. These notifications will be sent via multiple mediums, such as telephone, electronic mail and text message. Beginning October 2012, the Company will perform an annual communications test during which interruptible and temperature controlled customers will be asked to confirm their contact information.

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