

PSC NO: 1 GAS LEAF: 197
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 12/02/09 SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with Order in Case 06-G-1186 dated 06/23/09

SERVICE CLASSIFICATION NO. 14 (Continued)

- (b) Whenever the Customer's account with the Company becomes delinquent and/or the Customer has failed to deliver gas to the Company for the Customer's account, the Company shall have the right to request and the Customer, upon such request, shall provide the Company, for its review, copies of all contracts between the Customer and third parties providing for the purchase of pipeline capacity by such Customer. The Customer should redact all information deemed confidential, provided however, that all such contracts shall assure, in a manner satisfactory to the Company, reliable deliveries of sufficient quantities of gas for the Customer's account to meet the Customer's full hourly, daily or seasonal requirements for the term of service hereunder, unless otherwise agreed to in writing by the Company. The Company does not warrant the performance of such third parties under such contracts.
- (c) The Customer warrants that it will have good and marketable right and title to all gas that Customer tenders or causes to be tendered to the Company hereunder and such gas shall be free and clear of all liens, encumbrances and claims whatsoever. The Customer shall hold harmless and indemnify the Company against any adverse claim by a third party, and against any loss or cost incurred by the Company on account of any such liens, encumbrances and claims of third parties. In addition to any other rights the Company may have, in the event any adverse claim is asserted against the Company by a third party, the Company may, at its sole option, suspend the transportation of gas hereunder, until such claim is resolved to the Company's satisfaction.
- (d) The Customer shall use its best efforts to keep the hourly quantities delivered to the Company for the Customer's account, adjusted for system use and losses, equal to the Customer's Daily Nomination Quantity, divided by 24.
- (e) Power generators that enter new service agreements with the Company under this service classification may be required to pay for a daily balancing service; power generators with existing service agreements under this service classification may be required to pay for a daily balancing service when the agreement is renewed or reaches its evergreen anniversary.

Issued by: Nick Stavropoulos, Executive Vice President, Hicksville, NY