

LEAF: 401

REVISION: 4

SUPERSEDING REVISION: 3

Seller - A Seller is either: 1) an ESCO or Marketer that meets the Seller qualifications under Service Classification No. 19 and is selling gas to a Pool; or 2) a Core or Non-Core Customer who is qualified to purchase natural gas and deliver it to the Company's city gate on his own behalf pursuant to Service Classification No. 19.

Seller's Agent – An ESCO or Marketer that is designated as agent by the Seller, to whom the Company will release capacity on behalf of the Seller, in order for the Seller to serve his pool's demand pursuant to this Service Classification.

Seller Service Agreement - The agreement between the Company and Seller to provide service under this Service Classification, the form of which is included in this Schedule for Gas Service, and the term of which shall be for a period of no less than twelve months.

Swing Service – The Company manages daily, monthly and seasonal imbalances that arise when weather deviates from normal and the quantity of gas actually consumed by the Seller’s Pool differs from the DDQ delivered by the Seller. The Company will rely on upstream pipeline, storage, peaking and supply assets to provide the Swing Service.

Transporter - An interstate or intrastate pipeline transporting gas to the city gate points of receipt on the Company's delivery system for the Pool's account.

WACOC – The Company’s weighted average cost of capacity. This cost consists of the weighted average of: 1) the demand charges of firm domestic and unbundled Canadian pipeline transportation capacity the Company holds to deliver flowing gas supplies to the city gate, excluding transportation capacity used to deliver gas withdrawn from storage, plus 2) the weighted basis cost of the Company’s firm bundled city gate winter supply purchase contracts.

Issued by: Andrew F. Sloey, Senior Vice President, Brooklyn, New York