

PSC NO: 1 GAS LEAF: 154.1
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 4
INITIAL EFFECTIVE DATE: 10/01/10 SUPERSEDING REVISION: 1
STAMPS:

SERVICE CLASSIFICATION No. 7
Interruptible Transportation Service (Continued)
(Rate Codes: 710, 710A, 711, 720, 721)

Special Provisions (continued):

(h) Customer's Obligations: Customers or Suppliers shall make all necessary arrangements, obtain all necessary regulatory approvals and be responsible for all costs including taxes to appropriate governmental entities for the acquisition and transportation of the Customer's gas supply.

(i) Except as specified above, or in the Customer's Service Agreement, all provisions of the sales Service Classification that would otherwise apply to services to the Customer are specifically incorporated herein and shall apply to the transportation, swing and standby services provided hereunder.

(j) Warranty of Title: Seller warrants that, at the time of delivery of gas to the Company, Seller or Customer will have good title to deliver all gas volumes made available.

(k) Periodic Review of Distribution System Operating Constraints: The Company will review the operating constraints on its distribution system on a periodic basis. To the extent the Company finds, as a result of that review, that those constraints have changed, the Company will notify any affected Customers accordingly. If a DSRS Customer's location on the system has been upgraded, the Company will give the Customer the option of electing to receive service under one of the other categories in this service classification. If the location of any Customer receiving service under any of the other categories in this service classification has been downgraded to the point that the Customer's location is in a constrained area, the Company will immediately transfer the Customer to the DSRS category.

(l) Customer Failure

Whenever the Company becomes aware that the Customer's equipment is incapable of switching over to an alternate fuel and/or that the Customer does not have a reasonable amount of fuel on hand considering the time of the heating season, the Company shall notify the Customer within forty-eight (48) hours that the violation must be corrected within ten (10) calendar days. It shall be the responsibility of the Customer to contact the Company and provide proof that the violation has been corrected. However, this will not apply if the Customer has previously stipulated in writing that the Customer is willing and able to shut down during periods of interruption.

With regard to the inadequate fuel situation and/or equipment failure, Customers who have not supplied the Company with such proof shall be subject to 130% of their otherwise applicable variable transportation rate ("non-compliance charge"). Such non-compliance charge shall be in lieu of their otherwise applicable variable rate and shall 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, and is subject to all applicable utility taxes and surcharges. Customers subject to this higher variable rate continue to be subject to the terms and conditions of this service classification. If a non-compliance charge is charged in the same period that an "Additional Charge" is assessed, the non-compliance bill will not include consumption charged under the "Additional Charge."

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