

PSC NO: 12 GAS LEAF: 427.40
COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0
INITIAL EFFECTIVE DATE: 11/03/06 SUPERSEDING REVISION:
STAMPS:

Form of Facilities Construction and Reimbursement Agreement
For Electric Generation (continued)

10.9 KeySpan, at its own cost and expense, shall procure and maintain, and cause its contractors and subcontractors to procure and maintain, the following minimum insurance:

(a) Workers' Compensation Insurance in accordance with statutory requirements and Employer's Liability insurance with a minimum liability limit of \$1 million per occurrence.

(b) Commercial General Liability Insurance with a minimum liability limit of \$1 million per occurrence. Such policy shall include an endorsement for Contractual Liability coverage, which shall insure the performance of the obligations assumed by KeySpan pursuant to this Agreement, and an endorsement stating that Customer is an additional insured with respect to operations relating to this Agreement for incidents arising out of the gross negligence or willful misconduct of KeySpan, its contractors or subcontractors.

(c) Commercial Automobile Liability Insurance with a minimum liability limit of \$1 million per occurrence. This insurance shall apply to all owned, non-owned and hired automobiles used by KeySpan.

(d) Umbrella Liability Insurance Policy with coverage for Commercial General Liability, Automobile Liability and Employer's Liability with a minimum liability limit of \$5 million per occurrence.

KeySpan shall have the right to self-insure either all or any portion of the foregoing insurance coverages, as permitted by law.

Article 11
Indemnification and Limitation of Liability

11.1 Except as specifically provided herein, each Party shall indemnify, save harmless, and defend the other Party or the other Party's directors, trustees, agents, officers, and employees against all claims, demands, losses, damages, judgments, and associated costs and expenses for property damage, personal injuries, bodily injuries, or death suffered by third parties (including but not limited to government agencies) arising out of such Party's performance under this Agreement.

Issued by: John J. Bishar, Jr., Executive Vice President, General Counsel, and Secretary, Brooklyn, NY