

PSC NO: 1 GAS

LEAF: 210.14

COMPANY: KEYSpan GAS EAST CORPORATION

REVISION: 0

INITIAL EFFECTIVE DATE: 11/03/06

SUPERSEDING REVISION:

STAMPS:

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

11.2 Neither KeySpan nor Customer, nor their directors, trustees, agents, officers or employees shall be liable to the other Party, its directors, trustees, agents, officers or employees for incidental, special, indirect or consequential damages of any nature connected with or resulting from their performance of this Agreement.

11.3 Customer shall bear the risk of damage to or loss of the Facilities.

11.4 KeySpan, its officers, directors, employees and agents shall not be liable to Customer, or its contractors or subcontractors for any claims, costs, expenses, losses, damages, or judgments arising out of, or in connection with KeySpan's review of Customer design documents or monitoring by KeySpan of the construction activities of Customer or its subcontractors. Customer shall indemnify and hold KeySpan, its officers, directors, employees and agents, harmless from any such claims, costs, expenses, losses, damages or judgments in connection therewith. This indemnification and hold harmless obligation shall be separate from and independent of any other obligations of Customer to indemnify and hold harmless KeySpan, its officers, directors, employees and agents.

11.5 The Parties hereby undertake to comply with all applicable federal, state and local laws, rules, ordinances and/or regulations in effect on the date hereof which regulate or control the design, engineering, construction and installation of the Facilities. Each Party shall indemnify and hold harmless the other Party, its officers, directors, employees, agents and servants, from any loss, damage, penalty or injury, including reasonable attorney's fees and expenses, resulting from the indemnifying Party's violation of the above described laws, rules, ordinances and/or regulations. This indemnification and hold harmless obligation shall be separate from and independent of any other obligations of either Party to indemnify and hold harmless the other Party, its officers, directors, employees and agents.

Issued by: Joseph F. Bodanza, Senior Vice President, Hicksville, NY