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..TXT: PSC NO: 1 GAS LEAF: 153
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 09/01/02 SUPERSEDING REVISION: 1
STAMPS:
RECEIVED: 06/12/02 STATUS: Effective EFFECTIVE: 09/01/02

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

Special Provisions (continued):

- (a)(ii) An Applicant who selects the revenue test option in subsection (a)-(2) must deliver to the Company, prior to the commencement of construction of any facilities, a surety bond or other security satisfactory to "Keyspan Energy Delivery" equal to the Company's contribution, which will be canceled whenever the total transportation net-of-tax revenue, and Adjusted Gas Revenue from supplemental service, are equal to or exceed the Company's contribution. If, within a five year period, the Customer's total revenue described above is less than the Company's contribution, the Customer shall forfeit that portion of the surety bond equal to the difference between the Company's contribution and the total revenue described above. The Company's contribution will include any adjustments in (a)(iii) below.
- (a)(iii) If, after twenty-four months of service, the actual transportation revenue, and Adjusted Gas Revenue from supplemental service exceed the amount estimated in subsection (a) (i) above, the Customer will be reimbursed the revenue that exceeds the amount estimated in(a)-(I).
- (a)(iv) Whenever a new Customer is connected to a main extension for which the Company received Customer contribution(s) within the previous five years, the new Customer shall pay a share of the facilities costs. The original Customer(s) who contributed to the main extension will be entitled to a refund. The refund shall be reasonably allocated among the original Customer(s) in proportion to the length of main used by each served from the main extension, taking into account that portion of facilities which the Company is providing without charge based on the transportation revenues, and adjusted gas revenues from supplemental service from all interruptible Customers or required to provide without charge to each firm Customer, and the share of facilities cost from the new Customer. Whenever more than one Customer is connected to a main extension for which the Company receives Customer contribution(s), all Customer contributions shall be adjusted as to yield to the Company not more than the cost applicable to said extension from all Customers served from the main extension.
- (a)(v) The Applicant or the Company may apply to the Public Service Commission for a ruling as to the necessity for, or reasonableness of, any of the above requirements in a specific case.
- (b) Fuel Use and Loss Allowance: Charges for gas are applicable to quantities metered at the Customer's metered facilities. As an allowance for fuel use and losses incurred in the process of delivery between the City Gate and the Customer's metered facilities, the Customer shall provide the Company at its City Gate with a thermal equivalent amount of gas equal to 3.3% percent of the amount transported for the Customer.

Issued by Robert D. Ekholm, Corp. Secretary's Office, Hicksville, NY