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..TXT: PSC NO: 1 GAS LEAF: 150
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 05/01/00 SUPERSEDING REVISION: 1
STAMPS:
Cancelled by 3 Rev. Leaf No. 150 Effective 06/01/2000
RECEIVED: 03/10/00 STATUS: Cancelled EFFECTIVE: 05/01/00

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

Receipt and Delivery of Customer-Owned Gas:

A customer's Interruptible Daily Quantity (IDQ) under this Service Classification will be based upon the Customer's weather normalized historical load profile and/or estimate of consumption and the Customer shall be obligated to deliver this amount each day unless otherwise notified by the Company. By the first business day following the 14th day of each month, the Customer or Supplier shall provide to the Company written notice of the natural gas scheduled for delivery at the City Gate by interstate pipeline for the succeeding month for the customer's account. The Customer or Supplier must not deliver or cause to be delivered at the City Gate more than the Maximum Interruptible Daily Quantity (IDQ). Unless interrupted on the Company's system, the Company will deliver to the Customer the customer's daily usage requirements.

The Company may not accept the customer's nominations to the Company's City Gate if the Company has interrupted service to the customer's facilities.

Imbalances in Customer's Account:

The Customer shall schedule deliveries to the Receipt Point so to include four (4) percent to reflect fuel use and losses in the process of transportation and delivery.

At the end of each month, the Company shall determine the net surplus or deficiency in deliveries of gas to the Seller's aggregate pool above or below the volume of gas transported to the Receipt Point adjusted for fuel use and losses.

If the Seller delivered more gas to the Company for its pool than it consumed, the excess shall be purchased by the Company at the Company's Monthly Average Commodity Cost of Gas for the same period. If the Seller's aggregate pool consumed more gas than delivered to the Company for its account, the excess shall be deemed purchased by the Seller at the Company's Actual Monthly ICOG, including demand charges, for the same period and shall be reflected as a charge on the Seller's next monthly invoice.

Charges for Failure to Deliver Daily Transportation Quantities:

For amounts delivered by the Seller to the company's City Gate that are below the applicable DTQ or ADTQ, except due to reasons of Force Majeure or reasons attributable to the actions of the Company, the Company will charge the Seller the following:

- (I) One hundred (100) percent of the highest weekly gas price posted in Natural Gas Week for Transcontinental Gas Pipeline for Zone 3 of the applicable month plus Transcontinental Gas Pipeline's FT variable transportation costs and surcharges and equivalent fuel costs from Zone 3 to Zone 6 for under-deliveries up to or equal to two (2) percent of the applicable DTQ or ADTQ;
- (ii) \$10.00 per DTHM for under-deliveries in excess of two (2) percent of the applicable DTQ or ADTQ except on critical days; and
- (iii) \$25.00 per DTHM for under-deliveries in excess of two (2) percent of the applicable DTQ or ADTQ on critical days for gas supply.

Issued by Robert J. Fani, Senior Vice President, Hicksville, NY