

..DID: 7528
..TXT: PSC NO: 1 GAS LEAF: 139
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0
INITIAL EFFECTIVE DATE: 03/18/99 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 139 Effective 07/01/1999
Effective date postponed to 07/01/99. See Supplement No. 2, 1, 1
RECEIVED: 02/16/99 STATUS: Cancelled EFFECTIVE: 07/01/99

SERVICE CLASSIFICATION No. 5
Firm Transportation Service (Continued)
(Rate Codes: 127, 137, 147, 167, 177, 158, 159, 257)

Remote Meter Reading Device Option:

Customers may opt to have a remote meter reading device installed by paying to the Company at the time of installation the Company's total cost to purchase and install such device.

Upstream Transportation Credits:

A Seller that delivers or causes to be delivered at the City Gate the applicable customer's DTQ or, in the case of more than one customer, the customers' Aggregated Daily Transportation Quantity (ADTQ) for each day of the month by acquiring its own upstream transportation shall receive an Upstream Transportation Credit (UTC). The UTC will be equal to the lesser of:

- (I) the market value of transportation capacity from Henry Hub, Louisiana, to New York, New York, derived from Natural Gas Week, "Prices at Major Hubs and Selected City Gates" for the first issue of the applicable month, less Transcontinental Gas Pipe Line's FT variable transportation costs and surcharges and equivalent fuel costs from Zone 3 to Zone 6 for the applicable DTQ or ADTQ; or
- (ii) the 100 percent load factor equivalent of the Transcontinental Gas Pipe Line's maximum FT demand rate from Zone 3 to Zone 6 for the applicable DTQ or ADTQ.

Release of the Company's Upstream Transportation:

As an alternative to acquiring its own upstream transportation, a Seller may choose to deliver at the City Gate the customer's DTQ or, in the case of more than one customer, the customers' ADTQ by becoming pre-arranged replacement shippers of the Company's released upstream interstate pipeline capacity. Except where a Seller pays the interstate pipeline's demand charges for such capacity release directly to the interstate pipeline, "Brooklyn Union" will provide a Released Transportation Credit (RTC) to such replacement shipper in an amount equal to the credit received by the Company from the interstate pipeline for such release. To the extent that a customer's DTQ or customers' ADTQ is reduced because the Seller is no longer delivering gas to the Company on behalf of one or more Customers, the RTC payable to Seller will be reduced pro rata and a pro rata amount of the released capacity will be recalled by the Company. Any pipeline refunds associated with such released capacity, regardless of when received by the replacement shipper, shall be immediately refunded to the Company by the replacement shipper.

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