Received: 02/15/2013 Status: CANCELLED Effective Date: 06/01/2013

PSC NO: 1 GAS

COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 6
INITIAL EFFECTIVE DATE: 06/01/13 SUPERSEDING REVISION: 5
STAMPS:

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

Special Provisions (continued):

- (a)i) The Company's contribution will be equal to an estimate of natural gas deliveries for the first twenty-four months of service multiplied by the three month average Transportation Rate shown on Statement of Rates and Charges for Interruptible Service and in effect on the date of the service agreement.
- (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 "National Grid" 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).
- 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.

Issued by: William J. Akley, President, Hicksville, NY