Received: 07/31/2014 Status: CANCELLED Effective Date: 11/01/2014

PSC NO: 1 GAS

COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 11/01/14

SUPERSEDING REVISION: 0
STAMPS:

SERVICE CLASSIFICATION No. 8

Seller Service (continued)

- E. Statement of Seller Charges and Adjustments (continued)
- 4. Daily Cash Out Prices

Applicable to Sellers participating in either the Company's Core or Non-Core Monthly Balancing Program or Daily Balancing Program reflected as a dollar per dekatherm price.

a) Core Monthly Balancing Program:

The simple average of the following interstate pipeline gas prices for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey:

Transco - Transco Zone 6 NY mid-point price Texas Eastern - Tx. Eastern M3 mid-point price Iroquois - Iroquois Zone 2 mid-point price.

b) Non-Core Monthly Balancing Program:

The Transco Zone 6 NY mid-point price for the date of flow published in Platt's Gas Daily Price Guide, Daily Price Survey and is reflected as a per dekatherm price.

c) Daily Balancing Program:

A weighted average dollar per dekatherm price determined for each Seller proportionate to the amount of gas that the Seller delivers on each interstate pipeline to the Company's city gate.

The interstate pipeline gas prices used to compute the Daily Cash Out Price are obtained from Platt's Gas Daily Price Guide, Daily Price Survey for date of flow as follows:

Transco - Transco Zone 6 NY mid-point price Texas Eastern - Tx. Eastern M3 mid-point price Iroquois - Iroquois Zone 2 mid-point price Tennessee - Tx. Eastern M3 mid-point price

Issued by: David B. Doxsee, Vice President, Hicksville, NY