PSC NO: 1 GAS LEAF: 158 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 8 INITIAL EFFECTIVE DATE: 11/01/14 SUPERSEDING REVISION: 6 STAMPS:

> SERVICE CLASSIFICATION No. 8 Seller Service (continued)

7. Mandatory Capacity Program

Applicable to Sellers participating in the Company's Mandatory Capacity Program.

a) Tier 1 - Pipeline Capacity Release

The WACOC is a per dekatherm price determined in accordance with General Information Leaf No. 17.1.

b) Tier 2 - Retail Access Storage

Tier 2 Demand Price - is a per dekatherm monthly capacity price determined in accordance with Leaf Nos. 159.3.

Tier 2 Commodity Price - is a per dekatherm variable price determined in accordance with Leaf No. 159.3.

c) Tier 3 - Peaking Service

Tier 3 Commodity Price - is a per dekatherm variable price determined in accordance with Leaf No. 159.4.

8. Merchant Function Charges

Applicable to Sellers participating in the Company's Purchase of Receivables (POR) Program.

a) Commodity-Related Credit and Collection Expenses

The Commodity-Related Credit and Collection Expenses is a per dekatherm charge applicable to Sellers who participate in the Company's Purchase of Receivables program. This charge shall be determined in accordance with the methodology described on Leaf No. 72.1.

b) Commodity-Related Credit and Collection Expenses Annual Imbalance Surcharge / Refund

The Commodity-Related Credit and Collection Expenses Annual Imbalance Surcharge or Refund is a per dekatherm surcharge to recover Commodity-Related Credit and Collection Expense undercollections or refund Commodity-Related Credit and Collection Expense overcollections each Gas Cost Year from Sellers participating in the Company's POR program. This charge shall be determined in accordance with the methodology described on Leaf No. 73.2.

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