PSC NO: 1 GAS LEAF: 158.1 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 3 INITIAL EFFECTIVE DATE: 04/01/15 SUPERSEDING REVISION: 2 STAMPS: Issued in compliance with Order in C. 14-G-0330 and C. 06-G-1186 dated 10/23/14

> SERVICE CLASSIFICATION No. 8 Seller Service (continued)

- E. Statement of Seller Charges and Adjustments (continued)
 - 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.

9. Unaccounted For Gas (UFG)

A percentage UFG described on General Information Leaf No. 17.1.

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