

PSC NO: 12 GAS LEAF: 407.3
 COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0
 INITIAL EFFECTIVE DATE: 04/01/15 SUPERSEDING REVISION:
 STAMPS: Issued in compliance with Order in C. 14-G-0331 and C. 06-G-1185 dated 10/23/14

SERVICE CLASSIFICATION No. 19 – continued

J. MANDATORY CAPACITY PROGRAM – continued

3. Tier 2B – Retail Access Storage - continued

- c) Nominations, Operations and Inventory Transfer

In accordance with the GTOP Manual.

- d) Creditworthiness Guidelines

Sellers that do not meet the creditworthiness guidelines set forth in the Uniform Business Practices will be required to prepay for the Tier 2B Retail Access Storage. Prepayment must be made via wire transfer or ACH payment no later than three (3) business days prior to the last day of the month preceding the month in which the Retail Access Storage is to be provided. The prepayment will be calculated by taking the product of 0.9 times the estimated price of Tier 2B Retail Access Storages for that month.

The prepayment amount will be trued up when actual cost of the Retail Access Storage is available and any adjustment will be made in the succeeding bill period. Sellers may elect to make alternative security arrangements consistent with the Uniform Business Practice to secure credit for the purchase of Retail Access Storage, provided that any such alternative security must be in place no less than 60 days before the November 1st start date of the Retail Access Storage service.

4. Tier 3 – Peaking Service

The Company will provide a Tier 3 Peaking Service to Sellers from November 1st to April 30th when the estimated consumption of the Seller's Pool exceeds the Seller's Tier 1 Capacity Release Volume, Tier 2A Storage Capacity Release Volume and maximum Tier 2B Retail Access Storage withdrawal capacity.

The Company will determine the Tier 3 Peaking Service Price stated in dollars per dekatherm each day by weighting the following commodity prices using weighting percentages set forth in the GTOP Manual.

- a) The simple average of the following pipeline indices obtained from Platt's Gas Daily Price Guide, Daily Price Survey for date of flow:
 Transco – Transco Zone 6 NY mid-point price
 Texas Eastern – Tx. Eastern M3 mid-point price
 Iroquois – Iroquois Zone 2 mid-point price
- b) The Company's LNG Inventory Price

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