PSC NO: 1 GAS LEAF: 12.1 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0 INITIAL EFFECTIVE DATE: 05/06/08 SUPERSEDING REVISION: STAMPS: Issued in compliance with order in Case 06-G-1186 dated 12/21/07

GENERAL INFORMATION

II. Rules and Regulations (continued):

1--Definition of Terms (continued):

C (continued)

City Gate: The points of delivery between the interstate pipelines providing service to the New York Metropolitan area and the New York Facilities System, which point is used by Brooklyn Union and others.

Company: KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island.

Company's Annual Forecasted Firm Sales: the estimated sales during the Gas Cost Year for customers served under Service Classification Nos. 1, 2, 3, 15, 16, and 17.

Company's Annual Forecasted Firm Sendout: the estimated customer requirements during the Gas Cost Year which are the sum of (1) estimated sales for customers served under Service Classification Nos. 1, 2, 3, 15, 16, and 17 plus, (2) the Company's estimated quantities of Tier 2 Bundled Winter Sales, Tier 3 Virtual Storage Service and balancing services to be delivered to transportation customers under Service Classifications No. 5. All of the above quantities are to be multiplied by the applicable Factor of Adjustment.

Company's Annual Forecasted Interruptible Sendout: the estimated sales during the Gas Cost Year for customers served under Service Classification No. 4 multiplied by the applicable Factor of Adjustment.

Company's Annual Forecasted Firm and TC Sendout: the sum of the Company's Annual Forecasted Firm Sendout and the Company's Annual Forecasted TC Sendout.

Company's Annual Forecasted TC Sendout: the estimated TC customer requirements during the Gas Cost Year which are the sum of estimated sales for customers served under Service Classification No. 12 multiplied by the applicable Factor of Adjustment

Company's Monthly Forecasted Firm Sendout: the estimated customer requirements during the Effective Month which are the sum of (1) estimated sales for customers served under Service Classification Nos. 1, 2, 3, 15, 16, and 17 **plus**, (2) the Company's estimated quantities of Tier 2 Bundled Winter Sales, Tier 3 Virtual Storage Service and balancing services to be delivered to transportation customers under Service Classifications No. 5. All of the above quantities are to be multiplied by the applicable Factor of Adjustment.

Company's Monthly Forecasted TC Sendout: the estimated TC customer requirements during the Effective Month which is the sum of estimated sales for customers served under Service Classification No. 12 grossed-up by the applicable Factor of Adjustment.

Company's Monthly Forecasted Firm and TC Sendout: The sum of the Company's Monthly Forecasted Firm Sendout and Company's the Monthly Forecasted TC Sendout.

Core Customer: A customer who lacks or chooses not to utilize alternatives to natural gas. If a customer chooses to be a core customer for a specific application or end-use, such application must be separately metered. Service to core customers is provided under Service Classification Nos. 1, 2, 3, 5, 15, 16, and 17.

Issued by: Nick Stavropoulos, Executive Vice President, Hicksville, NY