

PSC NO: 1 GAS

LEAF: 119.28

COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2

INITIAL EFFECTIVE DATE: 02/03/04

SUPERSEDING REVISION: 1

STAMPS: Issued in compliance with order in Cs. 98-M-1343, 99-M-0631 & 03-M-0117 dated 12/5/03

GENERAL INFORMATION (Cont.)

IX. BILLING AGENCY ARRANGEMENTS

- A. ESCOs/Marketers and the Company may elect to offer customers a "Billing Agency" arrangement in which the customer will authorize the ESCO/Marketer to act as a Billing Agent, hereafter ESCO/Marketer/Billing Agent, to receive the customer's bills from the Company, consolidate them with the ESCO/Marketer/Billing Agent's charges, rebill the entire amount to the customer, and receive payments from the customer on the consolidated bill. If the ESCO/Marketer/Billing Agent and the customer elect a Billing Agency arrangement, the ESCO/Marketer/Billing Agent will comply with all obligations of consolidated billing parties set forth in the Commission's regulations, including without limit the Uniform Business Practices Section 9.J.

Issued by Joseph F. Bodanza, Senior Vice President and Chief Accounting Officer, Hicksville, NY