

PSC NO: 1 GAS LEAF: 12
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 01/01/04 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with order in Case 02-M-0515 dated 12/03/03

GENERAL INFORMATION

II. Rules and Regulations (continued):

1--Definition of Terms (continued):

A (continued)

A residing Applicant maintains residence at the premises to be supplied with gas and a non-residing applicant does not. The term "Applicant" may be used interchangeably with "Customer". Applicants are covered under 16 NYCRR Parts 11 and 13.

Arrears: Unpaid charges on Customers' bills for more than 20 days.

B

Back-up Services: The provision of company-owned natural gas to satisfy the Customer's daily usage requirements to the extent that any portion of the Customer's Daily Transportation Quantity is not delivered to the Company on the Customer's behalf.

Balancing Services: The Company's managing of a Customer's natural gas supply to enable the Customer to match the Customer's daily usage requirements to the amount of natural gas delivered on the Customer's behalf to the Company's City Gate less three point three (3.3) percent to reflect fuel use and losses in the process of transportation and delivery. Balancing Services include storage of the Customer-owned natural gas if the Customer's usage requirement on any day is less than the Customer's gas delivery as adjusted as well as the provision of company-owned natural gas if the Customer's usage requirement on any day exceeds the Customer's gas delivery as adjusted.

Backbill: Charges not previously billed for service delivered to Customers prior to the current billing cycle.

Business Day: Any weekday when the Company's business offices are open.

C

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 Brooklyn Union of Long Island (Herein after also referred to as "Brooklyn Union").

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