Received: 01/25/2005 Status: CANCELLED Effective Date: 01/26/2005

PSC NO: 1 GAS

COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 01/26/05

SUPERSEDING REVISION: 0
STAMPS: Issued in compliance with order in Case No. 02-M-0515 dated 08/04/04

SERVICE CLASSIFICATION No. 1 Residential Service (continued) (Rate Codes: 120, 130, 140, 150)

Conditions Applicable to Sub Classification - 1DG (Distributed Generation):

Rate Code: 150 - Distributed Generation

Rate: (per meter, per month)

First 3 therms or less \$33.69

Excess of 3 therms @ \$0.1260 per therm

Gas and Pipeline Costs and Adjustments:

(a) The charges set forth in this service classification shall be subject to an adjustment as explained in Section III.1, Gas and Pipeline Costs and Adjustments.

Minimum Charge:

\$33.69 per meter, per month exclusive of Gas and Pipeline Costs and Adjustments and Increase in Rates and Charges.

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