..DID: 9258 ..TXT: PSC NO: 1 GAS LEAF: 195 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0 INITIAL EFFECTIVE DATE: 07/01/99 SUPERSEDING REVISION: STAMPS: Issued in compliance with order in Case No. 99-G-0229 dated 6/24/99 RECEIVED: 06/30/99 STATUS: Effective EFFECTIVE: 07/01/99

SERVICE CLASSIFICATION NO. 14 (Continued)

DETERMINATION OF ON-SYSTEM BILLING QUANTITY

For the purpose of computing the quantity of gas delivered to a Customer's delivery point, the quantity of gas delivered each month to the Company for the account of a Customer taking service under this Service Classification shall be reduced by 1% to provide for system use and losses within the Company's distribution system as specified in the Customer's Service Agreement. The Company reserves the right to petition the Public Service Commission for permission to change such percentage factor in the event it determines that a change is required to more accurately reflect system use and losses.

To assist in reconciling quantities of gas received for transportation each month, the Customer shall provide, or cause to be provided, to the Company a copy of the Transporter's monthly invoice showing the quantity in Dths of all gas delivered during the month to the Company for the Customer's account as soon as such invoice is available to allow for billing by the Company. Absent receipt of such invoice, the Company reserves the right to estimate the quantity of gas transported for billing purposes. Such estimate shall be made on the basis of available data, and any reconciliation to actual quantities delivered shall be made in the subsequent billing month.

Statement of Unbundled Transportation Service Cash Out Charges

Not less than four business days following the effective Month, the Company will file with the Commission a Statement of Unbundled Transportation Service Cash Out Charges, which statement will contain the following charges applicable to this Service Classification: Monthly Average Commodity Cost of Gas; Actual Monthly ICOG; Daily Commodity Cost of Gas and Daily ICOG.

Issued by Robert J. Fani, Senior Vice President, Hicksville, NY