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COMPANY: THE BROOKLYN UNION GAS COMPANY REVISION: 0
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STAMPS:
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GENERAL INFORMATION (Cont.)

Special Needs Customer - a customer, as defined by the Home Energy Fair Practices Act (HEFPA), with documented medical conditions or who is elderly, blind or physically challenged. HEFPA makes available to these customers special protections regarding utility service and life threatening situations.

Voluntary Switch - a process or situation where a customer's energy supplier is changed from one provider to another with the customer's direct authorization.

II. CREDITWORTHINESS

A. Applicability

These standards apply to ESCOs/Marketers selling natural gas to retail customers and to retail customers procuring their own energy supplies (Direct Customers).

Each entity must qualify on an individual basis. These standards do not apply in circumstances involving credit risks of the Independent System Operator, any applicable Power Exchange, or wholesale energy suppliers (except to the extent associated with load balancing and settlement by the Company). No security is required in situations where, and to the extent, the Company bills customers on behalf of an ESCO/Marketer and has the right to retain funds collected by the billing to off-set utility charges (e.g., imbalance charges). The Company may require security for its delivery charges in situations where an ESCO/Marketer acts as a Billing Agent for the customer, as described under the Billing Agency Arrangement section, herein.

Under the applicable circumstances, the ESCO/Marketer/Direct Customer's participation in the Company's retail access program is contingent upon the ESCO/Marketer/Direct Customer satisfying a credit appraisal based on independent bond/credit ratings and supplying any security that may be found necessary to meet the Company's credit requirements. Credit appraisals and security requirements will be reviewed by the Company annually, at a minimum.

Issued by Steven L. Zelkowitz, Sr. Vice President and General Counsel, Brooklyn, NY