

PSC NO: 1 GAS LEAF: 13
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 11/03/06 SUPERSEDING REVISION: 0
STAMPS:

GENERAL INFORMATION

II. Rules and Regulations (continued):

1--Definition of Terms (continued):

C (continued)

Cost or Expense: The cost of all applicable material and equipment, labor and definite charges plus a reasonable loading percentage for engineering, purchasing, use of construction equipment and other costs of a general character involved in connection with the work to be performed.

Critical Day: Any 24-hour period commencing 8:00 a.m. in which the Company has declared to be a "Critical Day" on eight hour prior notice.

Customer or Consumer: A person, firm, partnership, corporation, association, developer, builder, governmental agency, or any other entity approved for and supplied gas sales or transportation service by the Company. In general, residential or residing Customers are those maintaining residence at the premises to which gas is supplied whereas non-residential or non-residing Customers do not. A new Customer is a Customer who was not the last Customer at the premises to be served with gas regardless of whether the new Customer was a former Customer or is a Customer at a different location. Customers are covered by 16 NYCRR, Parts 11 and 13.

Customer's Commodity Account: Pursuant to Service Classification No. 5, the amount of natural gas, measured in therms, that (i) has been delivered to the Company for redelivery to the Customer but has not been consumed by the Customer or (ii) has been consumed by the Customer in excess of the amount that has been delivered to the Company for the Customer. A positive balance in the Customer's Commodity Account means that the Customer has used less natural gas than has been delivered to the Company for redelivery to the Customer and that the Company is holding such amount of the customer's gas in storage. A negative balance in the Customer's Commodity Account means that the Customer has used more natural gas than has been delivered to the Company for redelivery to the Customer.

D

Daily Delivered Quantity: The average amount of natural gas that the Company estimates a firm transportation Customer will use for each day of a calendar month.

Daily Transportation Quantity: Pursuant to Service Classification No. 5, the quantity of gas to be tendered by Seller at the Receipt Point for the customer's account on any day.

Deferred Payment Agreement: A written agreement, a copy of which is provided to the Customer, for the payment of outstanding charges over a specified period of time. Customer's eligibility is covered by 16 NYCRR Parts 11.10 and 13.5.

Delinquent Customer: A non-residential Customer with two or more late payments within the previous 12 month period.

E

Effective Month - the calendar first month following the computation date.

Issued by Joseph F. Bodanza, Senior Vice President, Hicksville, NY