PSC NO: 1 GAS LEAF: 154.2 COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0 INITIAL EFFECTIVE DATE: 10/29/04 SUPERSEDING REVISION: STAMPS:

> SERVICE CLASSIFICATION No. 7 Interruptible Transportation Service (Continued) (Rate Codes: 710, 710A, 711, 720, 721)

Special Provisions (continued):

A "warning letter" will be sent to customers after their first violation of the winter season. Failure to comply during the first system-wide test of the season, or any follow-up tests, is considered a violation.

There is an amnesty clause available to customers that experience an equipment failure. Should a customer's equipment fail to switch, it must notify the Company within one hour of the failure, and provide proof within two days that the equipment has been repaired and is operable. If a customer meets this criteria, the violation will be waived. However, there will be only one waiver of a violation allowed per winter season. Such waiver does not exempt the customer from having to pay any related overrun or unauthorized use charges.

Gas Delivery Nomination Procedures

The Gas Delivery Nomination Procedures for all transportation Customers are described in the Company=8 Gas Transportation Operating Procedures Manual, Section IV and Section V, as filed with the Public Service Commission.

Communications Protocols

The Communications Protocols for all transportation customers are described in the Company=s Gas Transportation Operating Procedures Manual, Section VII, as filed with the Public Service Commission.

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