

PSC NO: 1 GAS LEAF: 215
 COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
 INITIAL EFFECTIVE DATE: 01/01/04 SUPERSEDING REVISION: 0
 STAMPS: Issued in compliance with order in Case 02-M-0515 dated 12/03/03

SERVICE CLASSIFICATION No. 17
Baseload Distributed Generation Sales Service
(Rate Codes: 340, 350, 360)

Applicable to Use of Service for:

Available to any Customer, upon written application and acceptance by the Company, for gas service used for the operation of either cogeneration or distributed generation equipment used for mechanical and electrical power applications employing reciprocating engines, gas turbines and emerging gas technologies such as fuel cells and microturbines, subject to the Special Provisions herein. The operation of this equipment must have an average annual load factor of 50% or greater. Load factor shall equal annual usage divided by (peak winter day use times 365 days). A separate meter will be installed for gas supplied under this service classification, and the use of gas measured by this meter for other than that above described is expressly prohibited. Availability of such service shall be subject to the conditions set forth in Rule II.7B.

Character of Service:

Continuous natural gas, or a suitable mixture of natural and manufactured gas of a Btu content of not less than 950 Btu per cubic foot (dry basis) on a monthly average, supplied at pressures within the limits prescribed by the Public Service Commission.

Rate 1 - less than 1MW (per meter, per month):

First	10 therms or less per month	\$154.00
All over	10 therms per month (April - October)	\$ 0.113 per therm
All over	10 therms per month (November - March)	\$ 0.145 per therm

Rate 2 - equal to or greater than 1MW but less than 5MW (per meter, per month):

First	10 therms or less per month	\$279.41
All over	10 therms per month (April - October)	\$ 0.113 per therm
All over	10 therms per month (November - March)	\$ 0.145 per therm

Rate 3 - equal to or greater than 5MW but less than 50MW (per meter, per month):

First	10 therms or less per month	\$807.14
All over	10 therms per month (April - October)	\$ 0.091 per therm
All over	10 therms per month (November - March)	\$ 0.115 per therm

Gas and Pipeline Costs and Adjustments:

In addition to the above charges, Customers will pay the monthly Gas and Pipeline Costs per therm of gas supplied hereunder, as well as other consumption-based unit adjustments reflected in the General Information leaves of this Tariff. 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.

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