

PSC NO: 1 GAS LEAF: 120
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 2
INITIAL EFFECTIVE DATE: 01/26/05 SUPERSEDING REVISION: 1
STAMPS: Issued in compliance with order in Case No. 02-M-0414 dated 08/04/04

SERVICE CLASSIFICATION No. 1
Residential Service
(Rate Codes: 120, 130, 140, 150)

Applicable to Use of Service for:

All residential and religious purposes as more fully defined in Rule II.7C. Availability of such service shall be subject to the conditions set forth in Rule II.7B.

Conditions Applicable to All Residential Sub-Classifications:

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 Conditions:

Heating Value Adjustment: The volume of gas registered by the customer's meter, in 100 Cu. Ft., will be converted to therms as explained in Rule II.3G.

Increase in Rates and Charges: The rates and charges under this service classification including Gas and Pipeline Costs and Adjustments and Minimum Charges are increased by the applicable percentage as explained in Section III.2 for service supplied within the municipality where the Customer is taking service.

Terms of Payment:

Net cash, or under the Budget Plan as set forth in Rule II.3I of this schedule, which by reference is made a part hereof.

Term:

Terminable by the Customer on five days' written notice to the Company and by the Company in the manner provided by law and the rules and regulations of the Company.

Special Provisions:

- a) For purposes of this Service Classification under Subclassification 1DG (Distributed Generation), cogeneration and distributed generation means the on-site sequential production of electricity and/or mechanical energy and useful form of thermal energy from a single input energy sources for use by the customer. The customer may elect to resell the energy back to the NYISO grid.
- b) Customers under this service classification who use gas for (1) religious purposes in accordance with Rule II.9C.2.1.3, (2) community residences that are supportive/supervised living facilities in accordance with Rule II.9C.2.1.5 or (3) any building or premises owned or leased by a not-for-profit veterans organization (Chapter 82 of the Laws of 1998) in accordance with Rule II.9C.2.1.6, may apply for service on an appropriate non-residential classification after a minimum term of one year. The transferring Customer is required to submit a new application form to the Company prior to the transfer and will be allowed to transfer at the time of the customer's next meter reading.

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