

..DID: 9301  
..TXT: PSC NO: 1 GAS LEAF: 119.31  
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0  
INITIAL EFFECTIVE DATE: 07/01/99 SUPERSEDING REVISION:  
STAMPS: Issued in compliance with order in Case No. 99-G-0229 dated 6/24/99  
RECEIVED: 06/30/99 STATUS: Effective EFFECTIVE: 07/01/99

**GENERAL INFORMATION (Cont.)**

10. Upon the failure of an ESCO/Marketer/Billing Agent to remit the customer's payment to the Company on time, the Company must notify the customer of that failure.
  11. The Company may not attempt to collect such payments directly from customers who have previously paid their Billing Agent.
  12. Any losses that may result from such nonpayments shall be recovered from available security and any remaining balances shall be deferred.
- C. Upon mutual agreement between the ESCO/Marketer and the Company, a lockbox arrangement for administering the Billing agency arrangement may be arranged. The allocation of funds in the lockbox must be consistent with the terms described under the Creditworthiness rules. ESCO/Marketers must comply with all the requirements above, except that where a lockbox is used the Company may not require more than 50% of the security that would otherwise be required from ESCOs/Marketers. The administrative rules shall specify the terms under which the lockbox mechanism will be terminated for noncompliance.
- D. The Company may terminate a Billing Agency arrangement and send its invoices for delivery charges directly to the ESCO's customers after providing 5 calendar days' notice to the ESCO/Marketer/Billing Agent if:
1. the ESCO/Marketer agent has not paid the Company on a timely basis for its delivery charges, unless such payment is made in full before the expiration of the 5 calendar day notice period (note: untimely payments may be a basis for a termination if a pattern of such payments develops); or

Issued by Robert J. Fani, Senior Vice President, Hicksville, NY