

..DID: 9280
 ..TXT: PSC NO: 1 GAS LEAF: 119.5
 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.)

2. An ESCO/Marketer having a minimum "1A2" rating from Dun & Bradstreet coupled with 24 months good payment history will satisfy the Company's credit requirement, but unsecured credit will be limited as indicated below:

| Rating | Unsecured Credit |
|--------------|--|
| - 4A1 or 4A2 | 30% of an ESCO's equity, up to five percent (5%) of the Company's applicable revenues for the applicable time period |
| - 3A1 or 3A2 | 30% of an ESCO's equity, up to five percent (5%) of the Company's applicable revenues for the applicable time period |
| - 2A1 or 2A2 | 50% of an ESCO's equity, up to \$500,000 |
| - 1A1 or 1A2 | 50% of an ESCO's equity, up to \$375,000 |

The Company will have the option to require an ESCO/Marketer to post security to cover the ESCO/Marketer's credit exposure in excess of the above limits.

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