

..DID: 9278  
..TXT: PSC NO: 1 GAS LEAF: 119.16  
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.)**

3. Application of Payments

Unless otherwise agreed to by the Company and the  
ESCO/Marketer/Direct Customer, payments will be applied to arrears first  
and then to current charges.

4. Failure to Make Payment

Upon failure of the ESCO/Marketer/Direct Customer to make any payment  
when due, the Company may draw down on any security that may be  
available (as described in the Creditworthiness section).

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