Received: 12/28/2007 Status: CANCELLED Effective Date: 01/01/2008

PSC NO: 1 GAS STATEMENT TYPE: IRS COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF L.I. STATEMENT NO: 111

INITIAL EFFECTIVE DATE: 01/01/08

STATEMENT OF RATES AND CHARGES FOR INTERRUPTIBLE SERVICE

Applicable to Billings for Service Classification Nos. 4 and 7 of the Schedule for Gas Service

Applicable to Service Classification No 4:

Interruptible Sales Rate:

 Effective Rate (\$ per therm):

 Category A
 1.382

 Category B
 1.382

 Category C
 1.382

 Category D
 1.382

 Category DSRS
 1.372

Applicable to Service Classification No 7:

Interruptible Transportation Rate:

 Category A
 .552

 Category B
 .552

 Category C
 .552

 Category D
 .552

 Category DSRS
 .542

Note: Customer categories are defined as:

Category A - Customers exempt from the Petroleum Business Tax (PBT) with annual thermal energy

requirements less than 100,000 dth

Category B - Customers exempt from the PBT with annual thermal energy requirements equal to or

greater than 100,000 dth

Category C - Customers non-exempt from the PBT with annual thermal energy requirements less than

55,000 dth

Category D - Customers non-exempt from the PBT with annual thermal energy requirements equal to or

greater than 55,000 dth

Category DSRS - Customers whose geographic location on the Companys distribution system prevents the

Company from providing a higher level of service.

Issued by: Nick Stavropoulous, Executive Vice President, Hicksville, NY