

PSC NO: 1 GAS

STATEMENT TYPE: IRS

COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I.

STATEMENT NO: 59

INITIAL EFFECTIVE DATE: 11/01/03

STATEMENT OF RATES AND CHARGES FOR INTERRUPTIBLE SERVICEApplicable to Billings as explained on Leaf Nos. 74, 75, 128 - 132, and 150
of the Schedule for Gas Service

Applicable to Service Classification No 4: (formerly No. 3)

Interruptible Sales Rate:

- | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 1. | Maximum Price: Tail Block for S.C. No. 3 plus current Gas Cost Adjustment (\$.172 + \$.698) (\$ per therm) | 0.870 |
| 2. | **Effective Rate (\$ per therm): | |
| | Category A | 0.670 |
| | Category B | 0.660 |
| | Category C | 0.680 |
| | Category D | 0.675 |
| | Category DSRS | 0.650 |
| 3. | Minimum Price: The Average cost of gas purchased for Interruptible service defined in Rule 111.1D plus (\$.569 + \$.010) (\$ per therm) | 0.579 |

Applicable to Service Classification No 7:

Interruptible Transportation Rate:

- | | | |
|----|--------------------------------------------------------------------------------------------------------|----------|
| 1. | Applicable to customers whose character of service meets the criteria of S.C. No. 4. (\$ per therm) | Variable |
| | Category A | 0.101 |
| | Category B | 0.091 |
| | Category C | 0.111 |
| | Category D | 0.106 |
| | Category DSRS | 0.081 |

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 Company's distribution system prevents the Company from providing a higher level of service. |

Issued by Alfred C. Bereche, Assistant General Counsel and Secretary, Hicksville, New York