

PSC NO: 1 GAS

STATEMENT TYPE: IRS

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

STATEMENT NO: 63

INITIAL EFFECTIVE DATE: 03/01/04

**STATEMENT OF RATES AND CHARGES FOR INTERRUPTIBLE SERVICE**Applicable 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:<br>Tail Block for S.C. No. 3 plus current Gas Cost<br>Adjustment (\$.172 + \$.646) (\$ per therm)                                | 0.818                                     |
| 2. | **Effective Rate (\$ per therm):<br>Category A<br>Category B<br>Category C<br>Category D<br>Category DSRS                                       | 0.818<br>0.818<br>0.818<br>0.818<br>0.818 |
| 3. | Minimum Price:<br>The Average cost of gas purchased for<br>Interruptible service defined in Rule 111.1D<br>plus (\$.641+ \$.010) (\$ per therm) | 0.651                                     |

Applicable to Service Classification No 7:

Interruptible Transportation Rate:

- |    |  |          |
|----|--|----------|
| 1. | Applicable to customers whose character of service<br>meets the criteria of S.C. No. 4. (\$ per therm) | Variable |
|    | Category A   | 0.172    |
|    | Category B   | 0.172    |
|    | Category C   | 0.172    |
|    | Category D   | 0.172    |
|    | Category DSRS  | 0.172    |

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 Joseph F. Bodanza, Senior Vice President and Chief Accounting Officer, Hicksville, NY