

PSC NO: 1 GAS**STATEMENT TYPE: IRS**

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

STATEMENT NO: 54

INITIAL EFFECTIVE DATE: 06/01/03

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 + \$.837) (\$ per therm)	1.009
2.	**Effective Rate (\$ per therm):	
	Category A	.705
	Category B	.695
	Category C	.715
	Category D	.710
	Category DSRS	.685
3.	Minimum Price: The Average cost of gas purchased for Interruptible service defined in Rule 111.1D plus (\$.635 + \$.010) (\$ per therm)	.645

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	0.070
	Category B	0.060
	Category C	0.080
	Category D	0.075
	Category DSRS	0.050

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 Robert D. Ekholm, Manager, Corporate Secretary's Office, Hicksville, New York