..DID: 19743 ..TXT: PSC NO: 1 GAS STATEMENT TYPE: GAC COMPANY: KEYSPAN GAS EAST CORP. DBA BROOKLYN UNION OF STATEMENT NO: 39 INITIAL EFFECTIVE DATE: 07/01/02 STAMPS: Cancelled by Statement GAC Number 40 Effective 08/01/2002 RECEIVED: 06/27/02 STATUS: Cancelled EFFECTIVE: 07/01/02 RECEIVED: STATUS: EFFECTIVE:

STATEMENT OF GAS AND PIPELINE COSTS AND ADJUSTMENTS (Issued under authority of 16 NYCRR 270.57)

Applicable to Billing as explained on Leaf Nos. 68, 69, 70, 71, 72 and 73

Applicable to Service Classification Nos.			<u>1,2,3,15&16</u>	5
1.	Average cost of gas, including Pipeline costs, a for the month of July 2002	at the City Gate,	53.1326	0.0000
2.	Factor of Adjustment		1.0404	1.0404
3.	Monthly Average Cost of Gas, including Pipelir at the Customer Meter	ne costs,	55.2792	0.0000
4.	Monthly Adjustment Surcharge/Refund		(2.0000)	0.0000
5.a.	Transition Surcharge		0.0000	0.0000
b.	Transition Surcharge Credit		0.0000	N/A
6.	Adjusted Monthly Average Cost of Gas		53.2792	0.0000
7.	Refund provision credit per therm		0.0000	0.0000
8.	LIPA Local Transportation Credit therm		1.0347	1.0347
9.	Cost of Gas Credits a. Interruptible sales credit per therm b. Research and Development Surcharge c. Merchant Function Backout Credit Subtotal	3.6200 (0.1040) (1.9000)	3.5160	5.4160
10.	Annual Surcharge or Refund per therm of gas sold applicable during the period July 2002 through December 2002 referable to the twelve months ending August 2001 Refund (3.0788) (3.0788)			
11.	Recovery of GCA property tax deferral		(4.5301)	(4.5301)
12.	Total Credit (Sum of Lines 7 thru 11)(3.0582)(1.1582)Commending with meter readings taken on and after the effective date and continuing thereafter until changed, the Gas Cost per therm applicable to customers; bills shall be:(3.0582)			(1.1582)
13.	Bills rendered monthly		56.3374	1.1582
KeyS			y Robert D. Ekholm, Manager, Corp. Secretary's Off. KeySpan Gas East Corp. DBA Brooklyn Union of Hicksville, New York	