

..DID: 11516

..TXT:

KEYSPAN GAS EAST CORPORATION D/B/A BROOKLYN UNION OF LONG ISLAND  
175 East Old Country Road  
Hicksville, NY 11801

March 22, 2000

Hon. Debra Renner  
Acting Secretary  
Public Service Commission  
State of New York  
Three Empire State Plaza  
Albany, New York 12223

Re: Case No. 99-G-1369 - Petition by New York Gas Group for Permission to Establish a Voluntary State Funding Mechanism to Support Medium and Long Term Gas Research and Development (R&D) Programs.

Dear Acting Secretary Renner:

Attached for filing electronically with the Commission are the following tariff leaves, issued by KeySpan Gas East Corporation D/B/A Brooklyn Union of Long Island ('the Company'), to become effective on April 23, 2000:

Second Revised Leaf No. 5  
First Revised Leaf No. 74.1  
to Schedule for Gas Service, P.S.C. No. 1-GAS.

This filing is made in compliance with the Commission's order dated February 14, 2000 which allows LDCs to establish a voluntary funding mechanism to support medium and long term gas R&D programs.

On October 4, 1999, the New York Gas Group (NYGAS) filed a petition on behalf of its members to establish this voluntary mechanism. The Federal Regulatory Energy Commission (FERC) had approved a five-year phase out of a surcharge that had traditionally supported R&D programs. NYGAS pointed out that although the FERC surcharge was being phased out, the value of R&D programs is significant to natural gas customers. Thus, the filing of NYGAS' petition for the funding mechanism.

The funding mechanism will be named the *Research and Development Surcharge*. It will appear on the Company's Statement of Gas and Pipeline Costs and Adjustments for firm sales and transportation customers.

If you have any questions regarding this filing, please contact Dawn Herrity at (718) 403-2975.

Respectfully submitted,

KEYSPAN GAS EAST CORPORATION  
D/B/A BROOKLYN UNION OF LONG ISLAND

By: \_\_\_\_\_