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## KEYSPAN GAS EAST CORPORATION d/b/a KEYSPAN ENERGY DELIVERY - LI 175 East Old Country Road Hicksville, NY 11801

June 12, 2002

Hon. Janet H. Deixler Secretary Public Service Commission Three Empire State Plaza Albany, NY 12223

Dear Secretary Deixler:

Transmitted herewith for electronic filing are the following revised tariff leaves by KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island (KED LI, KeySpan LI) to become effective September 1, 2002:

Second Revised Leaf No. 106 Second Revised Leaf No. 153 Second Revised Leaf No. 107 Fourth Revised Leaf No. 154 Third Revised Leaf No. 108 Original Leaf No. 154.1 Second Revised Leaf No. 109 Third Revised Leaf No. 175 Second Revised Leaf No. 114 Second Revised Leaf No. 176 Sixth Revised Leaf No. 177 Second Revised Leaf No. 115 First Revised Leaf No. 116 First Revised Leaf No. 178 Second Revised Leaf No. 117 Third Revised Leaf No. 179 Second Revised Leaf No. 149 First Revised Leaf No. 180 Fifth Revised Leaf No. 150 First Revised Leaf No. 181 Third Revised Leaf No. 151 First Revised Leaf No. 182 Third Revised Leaf No. 152 Fifth Revised Leaf No. 183 to Schedule for Gas Service, P.S.C. No. 1-GAS

These leaves are being filed to implement the Gas Restructuring Joint Proposal recently approved by the Commission. Case 99-G-1469, Petition of The Brooklyn Union Gas Company and KeySpan Gas East Corporation for a Multi-Year Restructuring Agreement, *Order Adopting Terms of Gas Restructuring Joint Proposal*, (May 23, 2002). Section IV.F. of the Joint Proposal provides that "As soon as practicable, and no later than 30 days after the Implementation Date [of the Joint Proposal],

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KeySpan LI will file tariff leaves to implement a daily balancing program for Interruptible Transportation Customers."

The enclosed leaves provide a daily balancing program for non-utility gas suppliers (Marketers) who serve pools of large volume customers. Under this program:

- KED LI will provide daily balancing service to Marketers for their entire service pools
- Daily pool consumption data will be available to the Marketer on a 24 hour lag basis via KED LI's Electronic Bulletin Board
- Individual customer consumption data will be sent to the Marketer daily on a 24 hour lag basis via electronic mail
- Marketers will be given the latitude to determine the daily delivery quantity for their service pools with no minimum or maximum requirements imposed by KED LI
- Cash outs will be determined daily, and will be billed monthly
- Daily cash out prices and penalties will be calculated as follows:

## **Overdeliveries**:

0 - 10% over the daily delivery quantity will be purchased at the New York Transco Zone 6 Midpoint price as reported in Gas Daily for the day(s) in question, with no penalty

>10 - 20% over the daily delivery quantity will be purchased at 80% of the Transco Zone 6 Midpoint price as reported in Gas Daily for the day(s) in question

>20% over the daily delivery quantity will be purchased at 50% of the Transco Zone 6 Midpoint price as reported in Gas Daily for the day(s) in question

## **Underdeliveries**:

0 - 10% under the daily delivery quantity will be charged KED LI's Weighted Average Commodity Cost of Gas, with no penalty

>10 - 20% under the daily delivery quantity will be charged 120% of KED LI's Weighted Average Commodity Cost of Gas

>20% under the daily delivery quantity will be charged 150% of KED LI's Weighted Average Commodity Cost of Gas + \$10 dth

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Enclosed is a form of notice for this filing in compliance with the State Administrative Procedure Act.

If you have any questions regarding this filing, please contact Michael Bauer at (516) 545-3855.

Respectfully submitted,

KEYSPAN GAS EAST CORPORATION d/b/a KEYSPAN ENERGY DELIVERY - LONG ISLAND

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

/dh Att.