

KEYSPAN GAS EAST CORPORATION D/B/A KEYSPAN ENERGY DELIVERY LI
175 East Old Country Road
Hicksville, New York 11801

June 29, 2004

Honorable Jaclyn A. Brilling
Secretary
Public Service Commission
State of New York
Three Empire State Plaza
Albany, New York 12223

Re: Tariff changes to amend SC-5 and SC-8

Dear Secretary Brilling:

KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island (KED LI or Company) hereby requests permission to amend the tariff leaves listed in Attachment A to effect necessary changes to Service Classifications 5 and 8 (SC-5 and SC-8), effective October 1, 2004.

KED LI seeks to amend the foregoing tariff leaves to remove provisions regarding Design Delivery Service, which provides for the release of interstate capacity. Design Delivery Service and the associated provisions set forth in the listed tariff leaves preceded the development of KED LI's winter program, and has been rendered obsolete by it. Pursuant to the provisions KED LI seeks to eliminate, the Company would release to the customer interstate pipeline capacity equal to the customer's average daily requirements. On days that volume exceeded the customer's demand, KED LI would store the gas; on days the customer's demand exceeded the average, the Company would withdraw gas from storage or deem the customer to have purchased stand-by service for the excess. The lack of flexibility inherent in these provisions presents implementation problems today.

In contrast, under the current winter program, the Company provides ESCOs with a menu of options for purchasing from the Company interstate pipeline capacity and bundled sales so each ESCO can structure commodity assets to supply its customers in an efficient and cost-effective way. KED LI's winter program has evolved over the past several years, and adapted to the changing dynamics of the Company's portfolio. In fact, the Company specifically reconsiders the winter program each year to determine how to present the maximum flexibility for ESCOs while preserving system reliability and integrity.

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No one is currently taking service under SC-5 or SC-8, so the requested amendments to these services will not compromise any customer's or ESCO's interests. Moreover, the provisions the Company seeks to eliminate have already been effectively superseded by the Company's winter program. Accordingly, KED LI asks that it be permitted to amend the above-itemized leaves accordingly.

Should you have any questions on this filing, please call me at (718) 403-3073 or Nancy Cianflone at (718) 403-2505. Thank you for your attention.

Very truly yours,

Catherine L. Nesser

ATTACHMENT A

Sixth Revised Leaf No. 135
Sixth Revised Leaf No. 137
Eighth Revised Leaf No. 139
Third Revised Leaf No. 140.1
Ninth Revised Leaf No. 142
Fourth Revised Leaf No. 143.1
Third Revised Leaf No. 158
Fourth Revised Leaf No. 160
Ninth Revised Leaf No. 161.1
Second Revised Leaf No. 161.3

Sixth Revised Leaf No. 136
Seventh Revised Leaf No. 138
Seventh Revised Leaf No. 140
Sixth Revised Leaf No. 141
Sixth Revised Leaf No. 143
Second Revised Leaf No. 157
Third Revised Leaf No. 159
Fifth Revised Leaf No. 161
Second Revised Leaf No. 161.2
Second Revised Leaf No. 161.4