

THE BROOKLYN UNION GAS COMPANY D/B/A KEYSpan ENERGY DELIVERY NY
One MetroTech Center
Brooklyn, New York 11201

June 29, 2004

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

Re: Withdrawal of SC-16 tariff

Dear Secretary Brilling:

The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York (KED NY or Company) hereby requests permission to amend the tariff leaves listed in Attachment A to effect the cancellation of Service Classification 16 (SC-16), effective October 1, 2004. Specifically, KED NY seeks to cancel leaves 295 through 332, and to amend the others listed, to remove SC-16 from its service offerings, and to eliminate all references to it. (In addition, the Company corrects a typographical error on Leaf 339, changing the reference to CTBS-1 to the correct CTS-1).

The transportation and balancing service contemplated in SC-16 preceded the development of KED NY's winter program, and has been rendered obsolete by it. Pursuant to the SC-16 service, 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 NY 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 SC-16 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 NY'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.

Page 2
Honorable Jaclyn A. Brillling

June 29, 2004

No one is currently taking service under SC-16, so the cancellation of this service will not compromise any customer's or ESCO's interests. Moreover, SC-16 service has already been effectively superseded by the Company's winter program. Accordingly, KED NY asks that it be permitted to cancel this service, and to amend the listed 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

Second Revised Leaf No. 9
Fourth Revised Leaf No. 68
Fourth Revised Leaf No. 72
Ninth Revised Leaf No. 80
Eleventh Revised Leaf No. 83
Fifth Revised Leaf No. 90
Second Revised Leaf No. 98
Second Revised Leaf No. 108.2
Second Revised Leaf No. 295
Seventh Revised Leaf No. 297
Third Revised Leaf No. 299
Seventh Revised Leaf No. 301
Eighth Revised Leaf No. 303
Second Revised Leaf No. 305
Second Revised Leaf No. 307
Fourth Revised Leaf No. 309
Second Revised Leaf No. 311
Second Revised Leaf No. 313
Third Revised Leaf No. 315
Second Revised Leaf No. 317
Second Revised Leaf No. 319
Second Revised Leaf No. 321
Second Revised Leaf No. 323
Second Revised Leaf No. 325
Second Revised Leaf No. 327
Second Revised Leaf No. 329
Second Revised Leaf No. 331
Fourth Revised Leaf No. 333
Eighth Revised Leaf No. 339
Eighth Revised Leaf No. 403
Second Revised Leaf No. 405
Second Revised Leaf No. 407
Sixth Revised Leaf No. 409
Second Revised Leaf No. 411
Fourth Revised Leaf No. 411.2
Second Revised Leaf No. 413
Fourth Revised Leaf No. 415
Second Revised Leaf No. 417
Fifth Revised Leaf No. 419
Second Revised Leaf No. 421
Second Revised Leaf No. 423
Second Revised Leaf No. 425
Second Revised Leaf No. 427

Fourth Revised Leaf No. 67
Fourth Revised Leaf No. 71
Fourth Revised Leaf No. 76
Ninth Revised Leaf No. 81
Third Revised Leaf No. 84
Second Revised Leaf No. 97
Third Revised Leaf No. 107
Third Revised Leaf No. 109
Third Revised Leaf No. 296
Second Revised Leaf No. 298
Third Revised Leaf No. 300
Eighth Revised Leaf No. 302
Fifth Revised Leaf No. 304
Third Revised Leaf No. 306
Fourth Revised Leaf No. 308
Fifth Revised Leaf No. 310
Second Revised Leaf No. 312
Third Revised Leaf No. 314
Fourth Revised Leaf No. 316
Second Revised Leaf No. 318
Second Revised Leaf No. 320
Second Revised Leaf No. 322
Second Revised Leaf No. 324
Second Revised Leaf No. 326
Second Revised Leaf No. 328
Second Revised Leaf No. 330
Second Revised Leaf No. 332
Second Revised Leaf No. 338
Second Revised Leaf No. 400
Second Revised Leaf No. 404
Second Revised Leaf No. 406
Second Revised Leaf No. 408
Third Revised Leaf No. 410
Tenth Revised Leaf No. 411.1
Second Revised Leaf No. 412
Fourth Revised Leaf No. 414
Third Revised Leaf No. 416
Second Revised Leaf No. 418
Second Revised Leaf No. 420
Second Revised Leaf No. 422
Second Revised Leaf No. 424
Second Revised Leaf No. 426
First Revised Leaf No. 427.32