

PSC NO: 1 GAS**STATEMENT TYPE: GAC****COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. STATEMENT NO: 82****INITIAL EFFECTIVE DATE: 01/01/2006****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&17</u> | <u>5</u> | <u>5 (17)</u> |
|--|---|----------------------------------|-----------------|----------------------|
| 1. | Average cost of gas, including Pipeline costs, at the City Gate, for the month of January 2006 | 116.0759 | 0.0000 | 0.0000 |
| 2. | Factor of Adjustment | 1.0404 | 1.03412 | 1.03412 |
| 3. | Monthly Average Cost of Gas, including Pipeline costs, at the Customer Meter | 120.7654 | 0.0000 | 0.0000 |
| 4. | Monthly Adjustment Surcharge/Refund | 0.0000 | 0.0000 | 0.0000 |
| 5.a. | Transition Surcharge | 0.0000 | 0.0000 | 0.0000 |
| b. | Transition Surcharge Credit | 0.0000 | N/A | N/A |
| 6. | Adjusted Monthly Average Cost of Gas | 120.7654 | 0.0000 | 0.0000 |
| 7. | Refund provision credit per therm | 0.0000 | 0.0000 | 0.0000 |
| 8. | LIPA Local Transportation Credit therm | 1.0130 | 1.0130 | 1.0130 |
| 9. | Cost of Gas Credits | | | |
| a. | Interruptible sales credit per therm | 5.7778 | | |
| b. | Research and Development Surcharge | (0.1740) | | |
| c. | Merchant Function Backout Credit applicable to S.C. 5 (excluding SC5-17) | 1.9000 | | |
| | Subtotal | 5.6038 | 7.5038 | 5.6038 |
| 10. | Annual Surcharge or Refund per therm of gas sold applicable during the period January 2006 through December 2006 referable to the twelve months ending August 31, 2005 | | | |
| | Refund | (0.2920) | (0.2920) | (0.2920) |
| 11. | Recovery of GCA property tax deferral | (4.0540) | (4.0540) | (4.0540) |
| 12. | Total Credit (Sum of Lines 7 thru 11) | 2.2708 | 4.1708 | 2.2708 |
| | Commencing 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: | | | |
| 13. | Bills rendered monthly | 118.4946 | (4.1708) | (2.2708) |

Issued by Joseph F. Bodanza, Senior Vice President, Hicksville, NY
KeySpan Gas East Corp. DBA Brooklyn Union of L.I.

Computation Date: December 29, 2005