

PSC NO: 1 GAS

STATEMENT TYPE: IRS

COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I.

STATEMENT NO: 68

INITIAL EFFECTIVE DATE: 08/01/04

STATEMENT OF RATES AND CHARGES FOR INTERRUPTIBLE SERVICEApplicable to Billings as explained on Leaf Nos. 74, 75, 128 - 132, and 150
of the Schedule for Gas Service

Applicable to Service Classification No 4: (formerly No. 3)

Interruptible Sales Rate:

1.	Maximum Price: Tail Block for S.C. No. 3 plus current Gas Cost Adjustment (\$.172 + \$.781) (\$ per therm)	0.953
2.	**Effective Rate (\$ per therm):	
	Category A	0.855
	Category B	0.845
	Category C	0.865
	Category D	0.860
	Category DSRS	0.835
3.	Minimum Price: The Average cost of gas purchased for Interruptible service defined in Rule 111.1D plus (\$.674 + \$.010) (\$ per therm)	0.684

Applicable to Service Classification No 7:

Interruptible Transportation Rate:

1.	Applicable to customers whose character of service meets the criteria of S.C. No. 4. (\$ per therm)	Variable
	Category A	0.172
	Category B	0.171
	Category C	0.172
	Category D	0.172
	Category DSRS	0.161

Note: Customer categories are defined as:

Category A -	Customers exempt from the Petroleum Business Tax (PBT) with annual thermal energy requirements less than 100,000 dth
Category B -	Customers exempt from the PBT with annual thermal energy requirements equal to or greater than 100,000 dth
Category C -	Customers non-exempt from the PBT with annual thermal energy requirements less than 55,000 dth
Category D -	Customers non-exempt from the PBT with annual thermal energy requirements equal to or greater than 55,000 dth
Category DSRS -	Customers whose geographic location on the Company's distribution system prevents the Company from providing a higher level of service.

Issued by Joseph F. Bodanza, Senior Vice President and Chief Accounting Officer, Hicksville, NY