

PSC NO: 1 GAS LEAF: 76
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 1
INITIAL EFFECTIVE DATE: 09/22/03 SUPERSEDING REVISION: 0

GENERAL INFORMATION**III. Adjustments of Rates and Charges (continued):**

3--Applicable to Interruptible, Natural Gas Vehicle and Temperature Controlled Service (continued):

.3 Maximum Price:

.3.1 The Maximum Price per therm applicable to Service Classification No. 4 is the lowest terminal rate of Service Classification No. 3 plus the Gas Cost Adjustment.

.4 Minimum Price:

.4.1 The minimum price applicable to Service Classification No. 4 is the average cost of gas as defined in Section III.1.C plus \$.01 per therm.

.5 Interruptible Transportation: The Interruptible Transportation Service Rate applicable to all contracts signed during the calendar month shall be determined monthly at the discretion of the Company but shall not exceed the lowest Margin for Service Classification No. 3 or be less than \$.01 per therm.

B. Statement of Rates and Charges for Natural Gas Vehicle Service Classification Nos. 9, 10 and 11

.1 Filing and Other Conditions: Rates shown on the Statement of Rates and Charges for Natural Gas Vehicle Service Classification Nos. 9, 10 and 11 will commence with meter readings taken on and after the effective date of the Statement and shall continue in effect until changed. Customers whose meter reads span periods of different rates will have their usage prorated on the number of days the various rates were in effect. The Effective Rate may be revised at any time as deemed appropriate by the Company based on fluctuations in market prices. The Company will file a revised Statement with the Public Service Commission apart from this rate schedule three days prior to any change in the Statement.

.2 Effective Rate: The Effective Rate per therm shall be established at the discretion of the Company but will not be lower than the Minimum Price.

.3 The Minimum Price shall be as follows:

.3.1 for Service Classification Nos. 9 and 10, the rate shall not be less than the sum of: the incremental pipeline and incremental local transmission capacity costs for firm service; incremental commodity costs; and a contribution to fixed costs not less than \$.01 per therm.

.3.2 for Service Classification No. 11, the rate shall not be less than the sum of: the incremental local transmission capacity costs for firm service and a contribution to fixed costs not less than \$.01 per therm.

Issued By: Alfred C. Bereche, Assistant General Counsel and Secretary, Hicksville, New York