

..DID: 6093

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MARKETSPAN GAS CORPORATION  
d/b/a BROOKLYN UNION  
175 East Old Country Road  
Hicksville, NY 11801

November 30, 1998

Hon. Debra Renner  
Acting Secretary  
Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

*Re: Case No. 97-M-0567*

Dear Acting Secretary Renner:

Enclosed for filing with the Commission are five copies of the following tariff leaves and statements issued by MarketSpan Gas Corporation d/b/a Brooklyn Union ("the Company," "Brooklyn Union") on November 30, 1998 to become effective December 1, 1998.

First Revised Leaf No. 45	Statement No. 1 - Statement of Weather Normalization Clause
First Revised Leaf No. 66	Adjustment
First Revised Leaf No. 67	Statement No. 1 - Statement of Therm Billing Zones - Meter Districts
First Revised Leaf No. 71	Statement No. 1 - Statement of Gas and Pipeline Costs and Adjustments
First Revised Leaf No. 119	Statement No. 1 - Statement of Rates and Charges for Interruptible
First Revised Leaf No. 123	Service
First Revised Leaf No. 124	Statement No. 1 - Statement of Adjustment in Rates and Charges
First Revised Leaf No. 136	Statement No. 1 - Statement of Rates and Charges for Natural Gas
	Vehicles

Statement No. 1 - Statement of New York City Gas Relocation Credit

Statement No. 1 - Statement of Rates and Charges for Temperature Controlled Service to Schedule for Gas Service, P.S.C No. 1-GAS.

These changes are being transmitted electronically as directed by the Commission.

These leaves are being filed in compliance with the Commission's Order issued on November 24, 1998 (November 24 Order) relating to the Company's July 31, 1998 filing (July Filing) in the above mentioned case. The enclosed filing includes revised tariff leaves that comply with the November 24 Order.

Page 2  
Hon. Debra Renner  
November 30, 1998

The November 24 Order was issued following a review by the Commission of the July 1998 Filing by which Brooklyn Union proposed P.S.C. No. 1-GAS in order to replace the tariff of the former Long Island Lighting Company (P.S.C. No. 4-GAS) under which the Company had been operating. The July 1998 Filing also proposed certain substantive changes as permitted by, and in compliance with, the Commission's Order in this case.

The revised tariff leaves transmitted herewith reflect the following changes from the leaves filed as part of the July 1998 Filing:

(1) a redesign of the rates originally proposed under Service Classification No. 2, Sub-Classification 2A (Non-Heating) and Sub-Classification 2B (Heating), such that the resultant bill impacts from the redesign are no greater than half of the maximum bill impact originally proposed in the July 1998 filing. Therefore, the maximum bill impact under Sub-Classification 2A is 2.5% and for Sub-Classification 2B the cap is 1.5%.

(2) replace the proposed imputation of interruptible margin revenues for purposes of crediting back such interruptible revenues to firm ratepayers with a mechanism to flow back to firm ratepayers the margins they would have received from any existing customer taking service under Service Classification Nos. 4 and 7 who migrates to service under Service Classification Nos. 12 (Temperature Controlled Service) and 13 (Temperature Controlled Transportation Service).

(3) include subsequent filings made by the Company to Schedule for Gas Service, P.S.C. No. 4 (the Former Long Island Lighting Company Tariff) prior to the effective date of the new electronic tariff, Schedule for Gas Service P.S.C. 1-Gas. These revisions include changes related to therm billing zones (Case No. 98-G-1611) and veteran's organizations (Case No. 98-G-1766).

Pursuant to the November 24 Order, the Company is filing the new tariff leaves with an effective date of December 1, 1998.

The Company respectfully reserves its rights with respect to any and all aspects of the November 24 Order with which it disagrees, including, but not limited to, those portions of the Order which denied certain of the proposals contained in the Company's July 1998 Filing. In this regard, the November 24 Order provides that while the SC 2 rate proposal is "permitted by the Settlement Agreement", is "justified on the cost of service and value of service basis", and "would permit the company opportunities for load growth that otherwise may not exist and robust load growth is essential", the proposal as filed was modified so that "the revenue reallocations for Non-Residential Service so that the bill impacts are reduced by one half." Accordingly, Brooklyn Union respectfully reserves its right to seek rehearing on this matter.

Page 3  
Hon. Debra Renner  
November 30, 1998

Copies of this transmittal letter and the enclosures are being served this day by regular mail on all active parties to Case No. 97-M-0567.

Kindly acknowledge receipt of this letter and the enclosures by date stamping the enclosed copy hereof and returning it in the self-addressed envelope provided for your convenience.

Respectfully submitted,

MARKETSPAN GAS CORPORATION  
D/B/A BROOKLYN UNION

BY: \_\_\_\_\_  
Robert J. Fani  
Senior Vice President

Encls.

cc(w/encls): Hon. Rafael Epstein  
Presiding Administrative Law Judge

Paul Agresta, Esq.  
Staff Counsel

All Parties to Case No. 97-M-0567