

EXHIBIT K

Cost of Facilities

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Cost of Facilities (Dollars in \$000's)

1 Land	7,365
2 Damages	200
3 Environmental	3,481
4 Survey	1,093
5 Maintenance parts	400
6 Maintenance tools	-
7 Material	26,427
8 Supervisory Control & Data Acquisition	22
9 Labor	38,761
10 Engineering & Inspection (incl Constr. Mgmt)	9,594
11 Gas Use	79
12 Taxes	1,958
13 Freight	1,841
14 Legal Fees	380
15 Other Fees	435
16 Administrative Overhead	1,253
17 AFUDC	4,972
18 Contingencies	6,646
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	104,907

EXHIBIT L
Financing

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EXHIBIT L

Financing

Preliminary Statement

The precise financing for the facilities proposed herein has not been determined, but it is anticipated the Iroquois partners will furnish approximately twenty-five percent (25%) of the required capital as equity and the remaining approximately seventy-five percent (75%) will consist of non-recourse debt held by lenders. The specific terms and conditions applicable to construction period debt and/or long-term, post-construction debt (if applicable), such as price, maturity and rate, will depend upon the financial market conditions at the time the debt is raised

Proposed Securities and Liabilities

To the extent that the Iroquois Management Committee determines to finance the facilities rather than to fund them wholly with equity, Iroquois anticipates raising approximately \$78.7 million of debt on a non-recourse basis,

subject to receipt of the required governmental approvals and the satisfaction of other conditions precedent.

Proceeds from Proposed Financing

To the extent that the Iroquois Management Committee determines to finance the facilities, the estimated net proceeds to Iroquois from the debt portion of the proposed financing will be \$78.7 million. The gross sales price will reflect the condition of the financial markets at that time

If the facilities are financed, the estimated net proceeds to Iroquois from the equity portion of the proposed financing plan will be \$26.2 million. The gross sales price will be identical to the net proceeds since the equity funds will be provided by the partners.

Estimated Expenses, Fees and Commissions In Connection with Proposed Financing

The expense for raising the construction and/or long-term debt, if applicable, will be determined by the condition of the financial markets at that time. These expenses include, but are not limited to, fees or commissions, legal fees, printing costs, and miscellaneous expenses.

EXHIBIT P

Tariff

IROQUOIS GAS TRANSMISSION SYSTEM, L.P.
Eastern Long Island Project
Derivation of Recourse Rates

The following schedules develop the incremental cost of service and recourse rates for Iroquois' Eastern Long Island Project.

The incremental cost of service for the Eastern Long Island Project is developed on Schedules 2 through 4 of this exhibit. The facility costs are shown on Exhibit K. The Eastern Long Island Project's 175,000 dth/d of capacity is the rate design determinant as shown on Schedule 2 of this exhibit. The capitalization and rate of return underlying the cost of service shown in this exhibit are based upon Iroquois' anticipated cost of funding the project and the rate of return on equity approved in Iroquois' last rate case (RP97-126). The allowance for O&M and A&G is Iroquois' projection of incremental costs associated with the new facilities based upon historical actual operating experience.

Included in this exhibit are:

Schedule 2	Cost of Service and Surcharge
Schedule 3	Depreciation Expense and Other Taxes
Schedule 4	Rate Base\Return\Related Income Taxes

IROQUOIS GAS TRANSMISSION SYSTEM, L.P.
Eastern Long Island Project
Total Cost of Service and Surcharge

Line #	Description	Year 1	Year 2	Year 3
1	Operation & Maintenance	\$ 561,000	\$ 561,000	\$ 561,000
2	Depreciation	\$ 2,905,924	\$ 2,905,924	\$ 2,905,924
3	Taxes Other than Income	\$ 2,098,140	\$ 2,098,140	\$ 2,098,140
4	Federal Income Taxes	\$ 1,745,865	\$ 1,665,696	\$ 1,572,951
5	State Income Taxes	\$ 463,383	\$ 442,105	\$ 417,489
6	Return	\$ 9,172,945	\$ 8,744,446	\$ 8,248,731
7	Total Cost of Service	<u>\$ 16,947,257</u>	<u>\$ 16,417,311</u>	<u>\$ 15,804,234</u>
8	Less: Cost Recovered under System Rates 1/	<u>\$ 13,606,740</u>		
9	Deficit/Surcharge Amount	\$ 3,340,517		
	Surcharge Derivation:			
10	Design Determinant (12 * 175,000)	<u>2,100,000</u>		
11	Reservation Surcharge (Line 9/ Line 10)	\$ 1.5907		
12	Usage Surcharge	<u>\$ 0.0523</u>		
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	1/ ELI Design Determinant (12 * 175,000)	2,100,000		
	RTS-2 Reservation Charge	\$ 6.4794		
	Recoveries from system rates	<u>\$ 13,606,740</u>		

IROQUOIS GAS TRANSMISSION SYSTEM, L.P.
Eastern Long Island Project
Depreciation Expense and Other Taxes

Line #	Description	Year 1	Year 2	Year 3
Depreciation Expense:				
1	Depreciable Plant	\$104,907,000	\$104,907,000	\$104,907,000
2	Depreciation Rate	2.77%	2.77%	2.77%
3	Depreciation Expense	<u>\$ 2,905,924</u>	<u>\$ 2,905,924</u>	<u>\$ 2,905,924</u>
Taxes Other than Income:				
4	Gross Plant	\$104,907,000	\$104,907,000	\$104,907,000
5	Taxes Other than Income @ 2.00%	<u>\$ 2,098,140</u>	<u>\$ 2,098,140</u>	<u>\$ 2,098,140</u>

EXHIBIT Z-1

Additional Exhibit

Submitted herewith is the affidavit of Jeffrey A. Bruner, Vice President, General Counsel and Secretary attesting to Iroquois' notification by first class mail to towns, communities, agencies and landowners of record whose property may be affected by the proposed Athens Project.

The following is an externally generated document and, pursuant to Order No. 493, is not required to be included in the FERC electronic media.

STATE OF CONNECTICUT)
)
COUNTY OF FAIRFIELD)

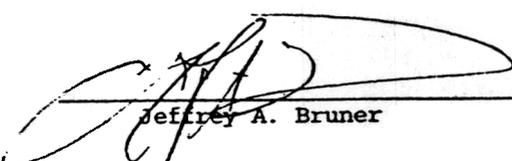
AFFIDAVIT OF JEFFREY A. BRUNER

NOW COMES the undersigned, Jeffrey A. Bruner, and first being duly sworn upon oath, hereby deposes and states:

1. That I am the Vice President, General Counsel & Secretary of Iroquois Pipeline Operating Company which acts as agent for Iroquois Gas Transmission System, L.P. ("Iroquois").
2. That Iroquois is making an application to the Federal Energy Regulatory Commission ("FERC") seeking a certificate of public convenience and necessity authorizing the construction and operation of certain facilities ("Application").
3. That Iroquois has attempted to identify any person who is the owner of record of real property that may be subject to the exercise of eminent domain under the Natural Gas Act if FERC approves the Application and that owner of record, at a minimum, has been identified as the individual noted in the most recent county tax records as receiving the tax notice.
4. That by the third business day following the date that the Application is noticed by the FERC, Iroquois Gas Transmission System, L.P. will make a good faith effort to provide a copy of that Notice along with the most recent edition of the FERC pamphlet entitled "An interstate natural gas pipeline on my land? What do I need to know?" by first-class mail to the landowners of record whose property may be affected by the proposed pipeline route in the Application, as well as to all towns, communities, and local, state and federal agencies involved in the project.

The undersigned certifies that the foregoing statements of fact are true and correct to the best of my knowledge, information and belief.

FURTHER AFFIANT SAYETH NOT.



Jeffrey A. Bruner

Subscribed to and sworn before me
this 12th day of December, 2001



Notary Public - State of Connecticut

My Commission Expires on 2/28/2002