Received: 07/28/2004

Status: CANCELLED Effective Date: 08/01/2004

PSC NO: 3-GAS

St. Lawrence Gas Company, Inc.
Initial Effective Date: 08/01/04

Statement Type: Statement No:

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AUGUST 2004 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NOS 1 AND 2

| | | | | Gas | Gas | | |
|--|-------|----------|-----------------|----------|----------|----------|-----------|
| | | | Interconnection | Transp. | Transp. | Gas | Load |
| | | | Charge | TCPL | Nova | Supply | Balancing |
| Monthly Cost of Gas | | | | | | | |
| Monthly cost of gas per therm as defined | | | | | | | |
| on Leaf No 30 of PSC no 3-Gas determined 07/28/04 | | | | | | | |
| by applying the Monthly Cost of Gas which is | Sales | 74.11740 | 0.80140 | 9.00600 | 1.02900 | 58.92400 | 4.35700 |
| or will be in effect on the effective date | Trans | 14.02600 | 0.66300 | 9.00600 | | | 4.35700 |
| of the gas adjustment | | | | | | | |
| Base Cost of Gas | | | | | | | |
| Base Cost of Purchased Gas per therm | Sales | 27.80840 | 0.26880 | 7.39900 | 2.02100 | 14.37400 | 3.74560 |
| (April 1, 1996 GAC) | Trans | 11.27500 | 0.13040 | 7.39900 | 0.00000 | 0.00000 | 3.74560 |
| (1) | | | | | | | |
| Gas Adjustments | | | | | | | |
| • | Sales | 4631 | 53 | 161 | -99 | 4455 | C1 |
| Units of Adjustment: Number of Units of 0.01 | | | | | -99 | 4455 | 61 |
| cents by which average cost exceeds base cost | Trans | 275 | 53 | 161 | | | 61 |
| Resulting Purchased Gas Adjustment per therm: | | | | | | | |
| (4631 units x 0.0100500 cents per unit) | Sales | 46.54160 | 0.53270 | 1.61810 | -0.99500 | 44.77270 | 0.61310 |
| (275 units x 0.0100000 cents per unit) | Trans | 2.75000 | 0.53000 | 1.61000 | 0.00000 | 0.00000 | 0.61000 |
| Annual GAC Surcharge / Refund | | | | | | | |
| Annual surcharge adjustment for the period | | | | | | | |
| 09/01/02 to 08/31/03 to be surcharged | | 3.53660 | -0.02010 | -1.39130 | 0.00000 | 3.74070 | 1.20730 |
| 01/01/04 - 12/31/04 | | 3.33000 | -0.02010 | -1.39130 | 0.00000 | 3.74070 | 1.20730 |
| 01/01/04 - 12/31/04 | Sales | 50.07820 | 0.51260 | 0.22680 | -0.99500 | 48.51340 | 1.82040 |
| | Trans | 2,54590 | 0.50990 | 0.22880 | 0.00000 | 40.51540 | 1.81730 |
| | Tiuns | 2.54570 | 0.50770 | 0.21070 | 0.00000 | | 1.01730 |
| Interruptible Incentive Credit | | | | | | | |
| Annual adjustment of the period 10/1/02 - 09/30/03 | | 0.5113 | 0.5113 | | | | |
| to be surcharged 12/01/03 - 11/30/04 | | | | | | | |
| | | | | | | | |
| Total Effective Purchased Gas Adjustment | Sales | 50.58950 | 1.02390 | 0.22680 | -0.99500 | 48.51340 | 1.82040 |
| per therm | Trans | 3.05720 | 1.02120 | 0.21870 | 0.00000 | 0.00000 | 1.81730 |
| | | | | | | | |

Issued by: Sharon A. Gaines, Treasurer, St. Lawrence Gas, 33 Stearns St., Massena, NY 13662

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PSC NO: 3-GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 08/01/04

Statement Type: Statement No: GAC 3

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AUGUST 2004 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NO. 3

| | | | | Gas | Gas | | |
|--|-------|----------|-----------------|----------|----------|----------|-----------|
| | | | Interconnection | Transp. | Transp. | Gas | Load |
| | | | Charge | TCPL | Nova | Supply | Balancing |
| Monthly Cost of Gas | | | | | | | |
| Monthly cost of gas per therm as defined | | | | | | | |
| on Leaf No 30 of PSC no 3-Gas determined 07/28/04 | | | | | | | |
| by applying the Monthly Cost of Gas which is | Sales | 70.53810 | 0.80140 | 9.00600 | 1.02900 | 58.92400 | 0.77770 |
| or will be in effect on the effective date | Trans | 1.44070 | 0.66300 | 0.00000 | | | 0.77770 |
| of the gas adjustment | | | | | | | |
| Base Cost of Gas | | | | | | | |
| Base Cost of Purchased Gas per therm | Sales | 27.80840 | 0.26880 | 7.39900 | 2.02100 | 14.37400 | 3.74560 |
| (April 1, 1996 GAC) | Trans | 3.87600 | 0.13040 | 0.00000 | 0.00000 | 0.00000 | 3.74560 |
| | | | | | | | |
| Gas Adjustments | | | | | | | |
| Units of Adjustment : Number of Units of 0.01 | Sales | 4273 | 53 | 161 | -99 | 4455 | -297 |
| cents by which average cost exceeds base cost | Trans | -244 | 53 | 0 | | | -297 |
| | | | | | | | |
| Resulting Purchased Gas Adjustment per therm: | | | | | | | |
| (4273 units x 0.0100500 cents per unit) | Sales | 42.94370 | 0.53270 | 1.61810 | -0.99490 | 44.77270 | -2.98490 |
| (-244 units x 0.0100000 cents per unit) | Trans | -2.44000 | 0.53000 | 0.00000 | 0.00000 | 0.00000 | -2.97000 |
| | | | | | | | |
| Annual GAC Surcharge / Refund | | | | | | | |
| Annual surcharge adjustment for the period | | | | | | | |
| 09/01/02 to 08/31/03 to be surcharged | | 3.53660 | -0.02010 | -1.39130 | 0.00000 | 3.74070 | 1.20730 |
| 12/01/03 - 11/30/04 | | | | | | | |
| | Sales | 46.48030 | 0.51260 | 0.22680 | -0.99490 | 48.51340 | -1.77760 |
| | Trans | -1.25280 | 0.50990 | 0.00000 | 0.00000 | | -1.76270 |
| Interruptible Incentive Credit | | | | | | | |
| Annual adjustment of the period 10/1/02 - 09/30/03 | | 0.5113 | 0.5113 | | | | |
| to be surcharged 12/01/03 - 11/30/04 | | 0.5115 | 0.5115 | | | | |
| to be suichai geu 12/01/05 - 11/50/04 | | | | | | | |
| Total Effective Purchased Gas Adjustment | Sales | 46.99160 | 1.02390 | 0.22680 | -0.99490 | 48.51340 | -1.77760 |
| per therm | Trans | -0.74150 | 1.02120 | 0.00000 | 0.00000 | 0.00000 | -1.76270 |
| | | | | | | | |

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