

PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 01/22/2008

Issued in Compliance with Commission Order in Case 06-G-0059, dated August 23, 2007

Leaf: 111

Revision: 2

Superseding Revision: 1

GENERAL INFORMATION

2. General Rules, Regulations, Terms and Conditions: (Cont'd)

VIII. Resale Prohibited:

Gas service will not be supplied under any service classification of this rate schedule for resale, remetering, submetering, redistribution or other redistribution except that any customer may furnish gas for the use of his tenants, or for the use of other occupants of his premises provided that the customer shall not resell, make a specific charge for, or remeter or submeter (except as provided below) or measure any of the gas so redistributed or furnished. Landlords of industrial and commercial properties, which do not have residential tenants, may file a petition and application to the New York State Public Service Commission requesting permission to submeter gas usage to their tenants. Such petition and application must address the following four areas of major concern regarding the request to submeter (1) safety (2) rate impact for the ultimate consumer (3) non-rate consumer protection issues, and (4) service provider and utility matters. The petition and application must also provide that the conditions proffered will be reiterated in leases with the submetered tenants. Copies of such petition and application must be served on the company and the petitioner's tenants.

IX. Gas Curtailment Procedures:

- A. If the Company, in its judgment, finds that it is unable to satisfy the full requirements of its customers and finds it necessary to curtail distribution service, the company may curtail service to a customer or give oral or written notice of curtailment. Unless otherwise directed by company for operational reasons, customer may comply with any order to curtail or discontinue service by making an equivalent volumetric reduction or discontinuance of service at any location owned, operated or controlled by customer in company's service territory. If notice of curtailment is given, a customer must curtail its use of service to a base level pursuant to the notice. If a customer has been directed to curtail consumption, orally or otherwise, and refuses to comply with the directed reductions, the customer shall be subject to an additional charge of \$25.00 per Mcf. The base level to be used for a curtailment for residential and commercial customers shall be calculated by averaging the weather normalized usage for the previous three years. For industrial customers who contract for their supply on a daily basis, the base level is the daily contract volume.

Company's Right to Curtail or Limit Service (does not apply to normal interruption of interruptible customers)

The Company shall implement a curtailment only as a last resort. Mutual aid, contractual and other non-curtailment supply management tools, Operational Flow Orders, interruption of contractually-interruptible load, and supply acquisition shall be utilized before a curtailment is declared.

As circumstances permit, the Company will initially seek voluntary curtailments to alleviate an emergency situation. Economic considerations shall not be the basis for a curtailment. Curtailments shall be limited in scope and duration as necessary to alleviate an emergency and shall be localized to the extent possible.