

PSC NO. 3 GAS  
St. Lawrence Gas Company, Inc.  
Initial Effective Date: 06/04/2004

Leaf: 270  
Revision: 0  
Superseding Revision:

SERVICE CLASSIFICATION NO. 2

SMALL GENERAL FIRM SERVICE (Cont'd)

Economic Development Incentive:

Any applicant or customer who qualifies to take service under Service Classification No. 2 and is a new customer who will have gas usage of at least 1,000 therms per month or is an existing customer using at least 1,000 therms per month and who increases its gas usage by at least twenty-five percent by:

1. constructing a new facility; or
2. purchasing or leasing an existing facility that has been vacant at least six months; or
3. expanding an existing facility and:
  - who applies for service hereunder on not less than 60 days notice, and furnishes proof that it is eligible as an Economic Development Zone customer;
  - shall be eligible to take service hereunder in accordance with the provisions of Service Classification No. 2, and to pay a reduced amount for such service as described below. Service supplied hereunder shall not be used to supply any of customer's existing facilities. Service must commence within 90 days of the agreed upon start-up date of the new facility.

The billed amounts as calculated under the terms and provisions of Service Classification No. 2 as amended from time to time shall be reduced by \$0.035 per therm in the third, fourth and fifth steps of the rate, for all use in excess of a base amount established for each monthly billing period.

For an existing customer, the base amount will be based on an average of the respective month in the two previous years adjusted for abnormal conditions, or an estimate, determined by company. For a new customer, the base amount will be determined by company using projected volumes.

The incentive reduction per therm will be applied under this schedule to that customer's bill for the term of the zone or, if the designation expires, for a period of ten years, for as long as customer remains certified.

If the application of the incentive reduction would result in a rate of less than the cost of firm gas plus two cents per therm adjusted for gross revenue tax and the factor of adjustment, then the rate would be adjusted to the cost of firm gas to the company plus two cents per therm adjusted for gross revenue tax and the factor of adjustment.