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PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 06/04/2004

Leaf: 281

Revision: 0

Superseding Revision:

SERVICE CLASSIFICATION NO. 4

INTERRUPTIBLE SERVICE (Cont'd)

For Transportation Service:

Company may adjust the rate to any rate between \$0.01 per therm (adjusted for gross revenue tax) and the cap price, determined as follows:

- 1. the monthly distribution gas cost (including the Interconnection gas cost), plus
- 2. the monthly SC-3 Load Balancing Charge, plus
- 3. the margin calculated from the average load factor for interruptible transportation customers

In the event of competitive pressure from alternate fuels, the margin portion of the rate can be reduced to retain interruptible sales. Customers will be advised three business days prior to the effective date as to the rate to be charged. These rates shall be filed with the Commission and be available for public inspection at company offices where applications for service may be made.

Issued by: G. Robert Simpson, President and General Manager, 33 Stearns Street, Massena, NY