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PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

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GENERAL INFORMATION

- 2. General Rules, Regulations, Terms and Conditions: (Cont'd)
 - IX. Gas Curtailment Procedures: (Cont'd)
 - 3. Industrial and commercial space heating boiler fuel requirements, air conditioning, electric generation, and other nonprocess purposes.
 - 4. Industrial and commercial requirements for space heating (other than boiler fuel use).
 - 5. Process and feedstock requirements.
 - 6. Plant protection requirements for customers curtailed in categories IX.B.1. through IX.B.5. above.
 - 7. Industrial and commercial requirements in firm service classifications.
 - 8. Residential requirements in firm service classifications.

If the reason for the curtailment is in the company's sole judgment due to a force majeure condition, the company reserves its right to curtail services outside the order listed above in order to protect the efficient operation of its system.

Except for category (8.), curtailment of all other categories will be done on either a proration basis, or on the basis of size, with the largest customers being curtailed first, at the sole discretion of the company.

- C. The following provisions shall govern curtailments and notices of curtailment of sales services resulting from:
 - 1. Shortage of St. Lawrence Gas system capacity or
 - 2. A loss of deliverability by an interstate pipeline or upstream supplier which provides sales service to St. Lawrence Gas or its customers.
 - a. In the event of capacity constraints on the system, curtailments and notices of curtailments will normally be made according to the following priorities to the extent permitted by operating feasibility, with Priority 2 being curtailed before Priority 1:
 - i. Priority 1: All firm sales to customers with dual-fuel facilities;
 - ii. Priority 2: Interruptible sales service.

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