

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

Leaf: 114
Revision: 0
Superseding Revision:

GENERAL INFORMATION

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

IX. Gas Curtailment Procedures: (Cont'd)

E. Short-Term Interruption or Force Majeure Curtailment Procedures: (Cont'd)

Core market customers lack alternatives. They take either (a) firm sales service, and lack installed equipment capable of burning fuels other than gas; or (b) firm transportation service. Back-up and standby services provided to firm transportation customers are core market services.

The replacement cost of fuel will be used as compensation to customers resulting from the diversion of gas from non-core customers to core customers, absent a previously arranged agreement specifying otherwise. The replacement cost of fuel will be calculated as the market value of the equivalent volume of the alternate fuel, or, if the customer does not use an alternate fuel, the market value of the displaced gas.

The replacement cost of fuel, as the level of compensation, will be recoverable through the gas adjustment clause (GAC) based upon normal review. Other related costs can be recovered after a showing of reasonableness by the company.

In the event actual gas deliveries to the customer exceed the amount authorized by the company during periods of short-term curtailment, such excess deliveries shall be termed "unauthorized overrun gas" and customer shall pay the service classification rate and penalties as outlined in 2.X.G.3.b. Overrun Gas.

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