

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

Leaf: 186
Revision: 0
Superseding Revision:

GENERAL INFORMATION

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

XII. Adjustment of Rates in Accordance With Changes in the Cost of Purchased Gas: (Cont'd)

J. Interruptible Incentive Credit: (Cont'd)

At the end of the fiscal year (September 30) company will determine the actual benefits derived from interruptible sales and transportation services and compare this amount to the amount credited/surcharged to SC-1 and SC-2 firm service customers during the fiscal year. Any differences between the benefits accrued and the amount credited/surcharged shall be filed with the Commission by November 15th and shall be reflected in the estimated credit/surcharge for the 12 month period beginning with the first December billing cycle.

Company shall modify the unit rate determined in a) above if a significant change to its estimate of sales and transportation volumes to SC-1 and SC-2 firm or interruptible customers or interruptible amount occurs during a contract year.

K. Capacity Assignment after April 1, 1999:

Each new decatherm of capacity brought to the City Gate by a marketer after April 1, 1999 is assumed for purposes of the following formula to generate "stranded cost".

Calculation of capacity costs related to customers migrating to transportation.

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