

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

Leaf: 128
Revision: 0
Superseding Revision:

GENERAL INFORMATION

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

XI. Additional Terms and Conditions Applicable to Transportation Service: (Cont'd)

K. Disposition of Banked Gas Account (Cont'd):

b. For the period April 1 to November 30:

Super Excess Overdeliveries: 95 percent of the lowest price paid by company for commodity purchased for such month;

Excess Overdeliveries: 100 percent of the lowest price paid by company for commodity purchased for such month.

The aggregated Tolerable Overdeliveries and aggregated Tolerable Underdeliveries shall be summed each month and the resultant volume multiplied by the Imbalance Charge to determine the monthly bill to be rendered to customer for balancing customer's daily requirements at the Point of Delivery.

Any net imbalance at any month end shall be purchased by company or sold to customer as follows:

Tolerable Underdeliveries exceed Tolerable Overdeliveries by:

- a. Less than or equal to 2 percent: company shall sell such volume to customer at company's weighted average cost of gas purchased for such month;
- b. Greater than 2 percent: company shall sell such volume to customer at 120 percent of company's weighted average cost of gas for such month;

Tolerable Overdeliveries exceed Tolerable Underdeliveries by:

- a. Less than or equal to 2 percent: company shall purchase such volume from customer at company's weighted average cost of gas purchased for such month;
- b. Greater than 2 percent: company shall purchase such volume from customer at the lesser of 100 percent of the lowest price paid by company for gas purchased and delivered to company's distribution system for such month and 80 percent of company's weighted average cost of gas purchased for such month;

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