

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

Leaf: 125
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)

J. Daily Bank Credit and Balancing Provision: (Cont'd)

For customers and Agents utilizing transportation services under the terms of Monthly Average Day Transportation Service, customers' or Agent's Banked Gas Account shall record differences between the Nominated Volumes of gas (less volumes retained by company for unaccounted for gas) and the daily volumes of gas consumed by customer or Agent's customers at the Point (s) of Delivery each Day in a month. A Seasonalized Imbalance Charge shall be payable by customer or Agent to company for the sum of the monthly aggregated daily overdeliveries and the monthly aggregated underdeliveries. The disposition of imbalances is more fully described in 2.XI.K. below.

For customers and Agents contracting for transportation service under the terms of Maximum Day Transportation Volume, who do not purchase Load Balancing Service, a daily allowance (the "Daily Tolerance") of plus or minus 10% will be allowed as the difference between the daily nomination (excluding the allowance for Unaccounted For Gas) and the daily consumption at the delivery point. However, in no case shall the imbalance at the end of any month exceed 10% of the aggregated daily Nominated Volumes for such month. The disposition of daily and month-end imbalances is set forth in XI.K. below.

K. Disposition of Banked Gas Account:

1. For Customers or Agents receiving Annual Average Day Transportation Service:

At the end of each contract year, disposition of any net debit or credit balance in the Banked Gas Account shall be made as follows.

Company will notify customer or Agent within 30 days of the end of the contract year as to the debit or credit status of the Banked Gas Account.

Credit volumes shall be purchased from customer or Agent by the company at a rate equal to the average of the lowest commodity cost of gas (excluding capacity charges) for each month of the contract year.

Debit volumes shall be billed to customer or Agent by company at a rate equal to the average of the highest commodity cost of gas (including capacity charges) for each month of the contract year.

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