

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

Leaf: 140
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)

O. Business Rules Generic To Aggregation And Large Volume Transportation Customers: (Cont'd)

1. Creditworthiness (Cont'd)

g. Calling on Security

The company may call upon the security posted by a Marketer/Direct Customer after providing five (5) days notice to the Marketer/Direct Customer whenever the Marketer/Direct Customer fails to pay the company within the specified time frame, unless the Marketer/Direct Customer makes payment in full within the five (5)-day notice period.

The company may call upon the security posted by a Marketer/Direct Customer without prior notice if the Marketer/Direct Customer files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Marketer/Direct Customer) or if for any reason a Marketer ceases to provide service to its customers under the company's retail access program.

If a Marketer, acting as a billing agent, has posted security with the company, the company will apply the security to the customers' delivery charges and customer late payment charges (if applicable) for any unpaid amounts due from customers.

h. Marketers Requesting Customer Deposits and Prepayments

Marketers are required to provide St. Lawrence Gas evidence of creditworthiness before the Marketer may request customer deposits or prepayments from its customers. Satisfactory evidence is a sufficient bond rating from an independent rating agency for either the Marketer or its parent, if the parent agrees to act as guarantor for the Marketer.