Received: 08/24/2005

Status: CANCELLED
Effective Date: 10/01/2005

SERVICE CLASSIFICATION NO. 3 (Cont'd.)

SPECIAL PROVISIONS: (Cont'd.)

(F) Provisions Relating Interruptions (Cont'd.)

(1) Failure to Interrupt (Cont'd.)

Company within one hour of the failure of its equipment; (ii) repairs and makes operable its equipment within forty-eight hours of the equipment's failure; and (iii) provides the Company with an affidavit or other sufficient documentation that it has repaired and made operable its alternate fuel or alternate energy equipment and immediately complies with the earlier of the ongoing interruption or a separate planned interruption. The Company will extend the one-time forty-eight hour repair deadline to a period not to exceed seven days provided the customer demonstrates, to the Company's satisfaction, that such extension was necessary due to the unavailability of a part and its installation during such forty-eight hour repair period. All three conditions set forth above must be satisfied for this exception to the two-violation rule to apply. During the forty-eight hour repair period, or, if applicable, the extended seven day repair period, the customer will be subject to all applicable charges of this Service Classification for all gas consumed, except for the charge for inoperable alternate fuel/energy facilities or inadequate fuel reserves set forth in Special Provision (F)(3), provided that the customer makes operable its alternate fuel/energy facilities within the forty-eight hour or seven day repair period, whichever is applicable.

(2) Charge for Unauthorized Use of Gas

All gas consumed by a customer during a period of interruption in excess of the customer's firm base load volume shall be subject to a charge equal to the greater of a) two times the sum of (i) the cost of gas delivered to the Company's citygate on the day of the violation, as defined below, plus (ii) the applicable interruptible transportation rate determined in accordance with Service Classification No. 8 and as set forth in the "Statement of Interruptible Transportation and Supplemental Sales Charges" for the month in which the violation occurred or b) nine times the applicable interruptible sales rate determined in accordance with this Service Classification and as set forth in the monthly "Statement of Interruptible Gas Rates" for the month in which the violation occurred. For the purposes of this provision, the cost of gas shall be equal to the highest daily "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the appropriate day as published in Gas Daily in the table "Daily Price Survey" plus the Company's weighted average cost of transportation (WACOT) and fuel losses at 100% load factor.

Issued By: John D. McMahon, President, Pearl River, New York
(Name of Officer, Title, Address)