

PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 11/22/2016

Issued in Compliance with Commission Order in Cases 15-G-0382 and 13-G-0076, dated July 15, 2016

Leaf: 127

Revision: 3

Superseding Revision: 2

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):

Super Excess Underdeliveries, and Excess Underdeliveries, and Underdeliveries, shall be deemed to have been sold by company to customer. The penalty price to be charged to and paid by customer for such volumes sold shall be:

Super Excess Underdeliveries

For the period December 1 to March 31:

140 percent of company's weighted average cost of gas purchased for such month;

For the period April 1 to November 30:

130 percent of company's weighted average cost of gas purchased for such month;

Excess Underdeliveries:

120 percent of company's weighted average cost of gas purchased for each month;

Underdeliveries:

110 percent of company's weighted average cost of gas purchased for each month.

Tolerable Underdeliveries:

Customer can adjust subsequent day volume.

Super Excess Overdeliveries, Excess Overdeliveries, and Overdeliveries, shall be purchased by company from customer. The penalty price to be paid by company to customer for such volumes purchased shall be:

Super Excess Overdeliveries:

For the period December 1 to March 31:

60 percent of the company's weighted average cost of gas for such month;

For the period April 1 to November 30:

70 percent of company's weighted average cost of gas purchased for such month;

Excess Overdeliveries:

80 percent of the company's weighted average cost of gas for each month;

Overdeliveries:

90 percent of the company's weighted average cost of gas for each month.

Tolerable Overdeliveries:

Customer can adjust subsequent day volume.