PSC NO: 3-GAS St. Lawrence Gas Company, Inc. Initial Effective Date: 10/01/04

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GAC

## OCTOBER 2004 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NOS 1 AND 2

			Interconnection Charge	Gas Transp. TCPL	Gas Transp. Nova	Gas Supply	Load Balancing
Monthly Cost of Gas			0			11.2	<u> </u>
Monthly cost of gas per therm as defined on Leaf No 30 of PSC no 3-Gas determined 10/04/04							
on Lear No 30 of PSC no 3-Gas determined 10/04/04 by applying the Monthly Cost of Gas which is	Sales	60.89040	0.79040	9.08900	1.06300	45.57200	4.37600
or will be in effect on the effective date	Trans	14.11700	0.65200	9.08900	1.00500	45.57200	4.37600
of the gas adjustment							
Base Cost of Gas							
Base Cost of Purchased Gas per therm	Sales	27.80840	0.26880	7.39900	2.02100	14.37400	3.74560
(April 1, 1996 GAC)	Trans	11.27500	0.13040	7.39900	0.00000	0.00000	3.74560
Gas Adjustments							
Units of Adjustment : Number of Units of 0.01	Sales	3308	52	169	-96	3120	63
cents by which average cost exceeds base cost	Trans	284	52	169			63
Resulting Purchased Gas Adjustment per therm:							
(3308 units x 0.0100500 cents per unit)	Sales	33.24540	0.52260	1.69850	-0.96480	31.35590	0.63320
(284 units x 0.0100000 cents per unit)	Trans	2.84000	0.52000	1.69000	0.00000	0.00000	0.63000
Annual GAC Surcharge / Refund							
Annual surcharge adjustment for the period		2.52550	0.02010	1 20120	0.00000	2 7 10 7 0	1 20520
09/01/02 to 08/31/03 to be surcharged 01/01/04 - 12/31/04		3.53660	-0.02010	-1.39130	0.00000	3.74070	1.20730
	Sales	36.78200	0.50250	0.30720	-0.96480	35.09660	1.84050
	Trans	2.63590	0.49990	0.29870	0.00000		1.83730
Interruptible Incentive Credit Annual adjustment of the period 10/1/02 - 09/30/03 to be surcharged 12/01/03 - 11/30/04		0.5113	0.5113				
Total Effective Purchased Gas Adjustment	Sales	37.29330	1.01380	0.30720	-0.96480	35.09660	1.84050
per therm	Trans	3.14720	1.01120	0.29870	0.00000	0.00000	1.83730

Issued by: Sharon A. Gaines, Treasurer, St. Lawrence Gas, 33 Stearns St., Massena, NY 13662

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GAC

## OCTOBER 2004 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NO. 3

			Interconnection Charge	Gas Transp. TCPL	Gas Transp. Nova	Gas Supply	Load Balancing
Monthly Cost of Gas Monthly cost of gas per therm as defined						11.5	<u> </u>
on Leaf No 30 of PSC no 3-Gas determined 10/04/04							
by applying the Monthly Cost of Gas which is	Sales	57.29210	0.79040	9.08900	1.06300	45.57200	0.77770
or will be in effect on the effective date of the gas adjustment	Trans	1.42970	0.65200	0.00000			0.77770
Base Cost of Gas							
Base Cost of Purchased Gas per therm	Sales	27.80840	0.26880	7.39900	2.02100	14.37400	3.74560
(April 1, 1996 GAC)	Trans	3.87600	0.13040	0.00000	0.00000	0.00000	3.74560
Gas Adjustments							
Units of Adjustment : Number of Units of 0.01	Sales	2948	52	169	-96	3120	-297
cents by which average cost exceeds base cost	Trans	-245	52	0	20	5120	-297
Resulting Purchased Gas Adjustment per therm:							
(2948 units x 0.0100500 cents per unit)	Sales	29.62740	0.52260	1.69850	-0.96470	31.35590	-2.98490
(-245 units x 0.0100000 cents per unit)	Trans	-2.45000	0.52000	0.00000	0.00000	0.00000	-2.97000
Annual GAC Surcharge / Refund							
Annual surcharge adjustment for the period		2 52 5 50	0.02010	1 20120	0.00000	2 5 40 5 0	1 20720
09/01/02 to 08/31/03 to be surcharged 12/01/03 - 11/30/04		3.53660	-0.02010	-1.39130	0.00000	3.74070	1.20730
	Sales	33.16400	0.50250	0.30720	-0.96470	35.09660	-1.77760
	Trans	-1.26280	0.49990	0.00000	0.00000		-1.76270
Interruptible Incentive Credit Annual adjustment of the period 10/1/02 - 09/30/03 to be surcharged 12/01/03 - 11/30/04		0.5113	0.5113				
Total Effective Purchased Gas Adjustment	Sales	33.67530	1.01380	0.30720	-0.96470	35.09660	-1.77760
per therm	Trans	-0.75150	1.01120	0.00000	0.00000	0.00000	-1.76270

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