PSC NO: 3-GAS St. Lawrence Gas Company, Inc. Initial Effective Date: 12/01/04

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GAC

## DECEMBER 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 Monthly cost of gas per therm as defined on Leaf No 30 of PSC no 3-Gas determined 11/29/04							
by applying the Monthly Cost of Gas which is or will be in effect on the effective date	Sales Trans	76.48540 15.73800	0.80940 0.67100	9.78400 9.78400	1.14400	59.46500	5.28300 5.28300
of the gas adjustment	114115	15.75600	0.07100	2.70400			5.28500
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	4868	54	239	-88	4509	154
cents by which average cost exceeds base cost	Trans	446	54	239			154
Resulting Purchased Gas Adjustment per therm:							
(4868 units x 0.0100500 cents per unit)	Sales	48.92340	0.54270	2.40200	-0.88440	45.31540	1.54770
(446 units x 0.0100000 cents per unit)	Trans	4.46000	0.54000	2.39000	0.00000	0.00000	1.54000
Annual GAC Surcharge / Refund							
Annual surcharge adjustment for the period 09/01/02 to 08/31/03 to be surcharged		3.53660	-0.02010	-1.39130	0.00000	3.74070	1.20730
01/01/04 - 12/31/04	Sales	52.46000	0.52260	1.01070	-0.88440	49.05610	2.75500
	Trans	4.25590	0.51990	0.99870	0.00000	49.05010	2.74730
Interruptible Incentive Credit Annual adjustment of the period 10/1/03 - 09/30/04 to be surcharged 12/01/04 - 11/30/05		0.2389	0.2389				
Total Effective Purchased Gas Adjustment	Sales	52.69890	0.76150	1.01070	-0.88440	49.05610	2.75500
per therm	Trans	4.49480	0.75880	0.99870	0.00000	0.00000	2.74730

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

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GAC

## DECEMBER 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			6			11.7	
Monthly cost of gas per therm as defined							
on Leaf No 30 of PSC no 3-Gas determined 11/29/04							
by applying the Monthly Cost of Gas which is	Sales	71.98010	0.80940	9.78400	1.14400	59.46500	0.77770
or will be in effect on the effective date	Trans	1.44870	0.67100	0.00000			0.77770
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	3.87600	0.13040	0.00000	0.00000	0.00000	3.74560
Gas Adjustments							
Units of Adjustment : Number of Units of 0.01	Sales	4417	54	239	-88	4509	-297
cents by which average cost exceeds base cost	Trans	-243	54	0			-297
Resulting Purchased Gas Adjustment per therm:							
(4417 units x 0.0100500 cents per unit)	Sales	44.39090	0.54270	2.40200	-0.88430	45.31540	-2.98490
(-243 units x 0.0100000 cents per unit)	Trans	-2.43000	0.54000	0.00000	0.00000	0.00000	-2.97000
Annual GAC Surcharge / Refund							
Annual surcharge adjustment for the period							
09/01/02 to 08/31/03 to be surcharged		3.53660	-0.02010	-1.39130	0.00000	3.74070	1.20730
12/01/03 - 11/30/04							
	Sales	47.92750	0.52260	1.01070	-0.88430	49.05610	-1.77760
	Trans	-1.24280	0.51990	0.00000	0.00000		-1.76270
Interruptible Incentive Credit							
interruptible incentive creat							
Total Effective Purchased Gas Adjustment	Sales	47.92750	0.52260	1.01070	-0.88430	49.05610	-1.77760
per therm	Trans	-1.24280	0.51990	0.00000	0.00000	0.00000	-1.76270

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