Received: 04/27/2016

Status: CANCELLED Effective Date: 05/01/2016

PSC NO: 3-GAS St. Lawrence Gas Company, Inc. Initial Effective Date: May 1, 2016

Statement Type: Statement No:

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MAY 2016 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NOS 1 AND 2

| | | | Total | 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 04/27/16 | | | | | | | | |
| by applying the Monthly Cost of Gas which is | | Sales | 0.488260 | 0.037110 | 0.273180 | 0.000000 | 0.111490 | 0.066480 |
| or will be in effect on the effective date of the gas adjustment | | Trans | 0.376770 | 0.037110 | 0.273180 | | | 0.066480 |
| Factor of Adjustm | ent | | | | | | | |
| Sales | .48826 x .005 Factor of Adjustment | Sales | 0.002441 | | | | 0.002441 | |
| | | | | | | | | |
| Resulting Purchased Gas Adjustment per therm: | | Sales | 0.490701 | 0.037110 | 0.273180 | 0.000000 | 0.113931 | 0.066480 |
| | | Trans | 0.376770 | 0.037110 | 0.273180 | | | 0.066480 |
| | rcharge / Refund | | | | | | | |
| | surcharge adjustment for the period | Sales | 0.024692 | -0.005403 | 0.009214 | 0.000000 | 0.009883 | 0.010998 |
| | /31/15 to be refunded/surcharged | Trans | 0.014809 | -0.005403 | 0.009214 | | | 0.010998 |
| 01/01/16 - 12/3 | 51/16 | | | | | | | |
| | | Sales | 0.515393 | 0.031707 | 0.282394 | 0.000000 | 0.123814 | 0.077478 |
| | | Trans | 0.391579 | 0.031707 | 0.282394 | | | 0.077478 |
| | rentive Credit ment of the period 01/01/2015 - 12/31/2015 03/01/2016 - 02/28/2017 | Sales and Trans | -0.017643 | -0.017643 | | | | |
| Total Effective Purchased Gas Adjustment | | Sales | 0.497750 | 0.014064 | 0.282394 | 0.000000 | 0.123814 | 0.077478 |
| dollars per therm | | Trans | 0.373936 | 0.014064 | 0.282394 | 0.000000 | 0.000000 | 0.077478 |

| Summary of Gas Supply Costs per Dt | Sales |
|------------------------------------|---------|
| Weighted Average Commodity Cost | 1.11490 |
| Weighted Average Demand Cost | 3.76770 |
| Weighted Average Cost of Gas | 4.88260 |
| Adjustments | 0.09490 |
| Total Cost | 4.97750 |
| | per Dt |

Issued by: Thomas A. Hannan, Finance and Regulatory Manager, St. Lawrence Gas, 33 Stearns St., Massena, NY 13662

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MAY 2016 GAS ADJUSTMENT CLAUSE STATEMENT SERVICE CLASSIFICATION NO. 3

| | | | Total | Interconnection Charge | Gas Transp. TCPL | Gas Transp. Nova | Gas Supply | Load Balancing |
|------------------------------|---|-------|----------|-------------------------------|------------------------|------------------------|---------------|-------------------|
| | Gas tas per therm as defined PSC no 3-Gas determined 04/27/16 | | Total | Charge | ICFL | Nova | Зирргу | Баганстід |
| | Monthly Cost of Gas which is | Sales | 0.421180 | 0.037110 | 0.273180 | 0.000000 | 0.111490 | -0.000600 |
| | et on the effective date | Trans | 0.309690 | 0.037110 | 0.273180 | | | -0.000600 |
| of the gas adjustn | | | | | | | | |
| Factor of Adjustr | nent | | | | | | | |
| Sales | .4212 x .005 Factor of Adjustment | Sales | 0.002106 | | | | 0.002106 | |
| | | | | | | | | |
| Resulting Purch | ased Gas Adjustment per therm: | Sales | 0.423286 | 0.037110 | 0.273180 | 0.000000 | 0.113596 | -0.000600 |
| | | Trans | 0.309690 | 0.037110 | 0.273180 | | | -0.000600 |
| Annual GAC Sur | isharga / Pafund | | | | | | | |
| | arge adjustment for the period | Sales | 0.024692 | -0.005403 | 0.009214 | 0.000000 | 0.009883 | 0.010998 |
| | 3/31/15 to be refunded/surcharged | Trans | 0.014809 | -0.005403 | 0.009214 | 0.000000 | 0.007003 | 0.010998 |
| 01/01/16 - 12/ | | | | | | | | |
| | | | | | | | | |
| | | Sales | 0.447978 | 0.031707 | 0.282394 | 0.000000 | 0.123479 | 0.010398 |
| | | Trans | 0.324499 | 0.031707 | 0.282394 | | | 0.010398 |
| | | | | | | | | |
| Total Effective | Purchased Gas Adjustment | Sales | 0.447978 | 0.031707 | 0.282394 | 0.000000 | 0.123479 | 0.010398 |
| Dollars per therm | | Trans | 0.324499 | 0.031707 | 0.282394 | 0.000000 | 0.000000 | 0.010398 |
| | | | | | | | | |
| Load Balancing Demand Charge | | Sales | 8.9671 | per Mcf Load Balancing Demand | | | | |
| | | Trans | 8.9671 | per Mcf Load Bala | ncing Demand | | | |
| | Summary of Gas Supply Costs per Dt | | Sales |] | | | | |
| | Weighted Average Commodity Cost | | 1.114900 | | | | | |
| | Weighted Average Demand Cost | | 3.096900 | | | | | |
| | Weighted Average Cost of Gas | | 4.211800 | | | | | |
| | Adjustments | | 0.267980 | | | | | |
| | Total Cost | | 4.479780 | | | | | |
| | | | per Dt | | | | | |