

PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 01/22/2008

Issued in Compliance with Commission Order in Case 06-G-0059, dated August 23, 2007

Leaf: 111.2

Revision: 1

Superseding Revision: 0

GENERAL INFORMATION

2. General Rules, Regulations, Terms and Conditions: (Cont'd)

IX. Gas Curtailment Procedure: (Cont'd)

Compensation for the diverted gas will be the market price of gas, as defined in Platts Gas Daily, Daily Price Survey midpoint price for Iroquois Receipts (\$US/MMBtu) plus \$0.25/MMBtu. If it can be demonstrated by the ESCO or Direct Customer, with adequate support, that a contract calls for a higher price, the Company would reimburse the ESCO or Direct Customer at the contract price.

B. Curtailments and notices of curtailment of services resulting from a gas supply deficiency will normally be made in the following order of priority to the extent permitted by operating feasibility.

1. Interruptible service requirements.
2. Firm requirements to customers whose facilities are capable of using an alternate fuel or energy source to supply the energy requirements of the premises otherwise supplied by gas.