

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: 111.1

Revision: 1

Superseding Revision: 0

## GENERAL INFORMATION

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

## IX. Gas Curtailment Procedure: (Cont'd)

## Gas Requirements during a Curtailment:

During a period of curtailment, the Company will acquire gas intended for lower priority customers at the citygate. ESCOs and Direct Customers whose gas is diverted by the Company will be required to continue making nominations of gas throughout the curtailment period up to their maximum delivery obligation as directed by the Company, unless qualified upstream force majeure interruptions or curtailments prevent ESCOs or Direct Customers from securing or delivering such supplies.

## ESCO and Direct Customer Compliance:

Failure of the Company to adhere to one or more of the curtailment criteria is not a basis for ESCOs or Direct Customers not to comply with requirements of the curtailment but may provide the basis for a complaint to the Commission regarding the Company's behavior.

If, during the curtailment period, the Company is aware of ESCOs or Direct Customers that are not responding to the required actions, it shall make all reasonable efforts to inform the non-responding ESCOs or Direct Customers that required actions are not being taken. Lack of such notice shall not relieve any ESCO or Direct Customer of its obligations.

Upon the request of the Company, each ESCO serving transportation customers on the Company's system shall provide to the Company a plan for curtailment of its customers.

## Curtailment Notification:

The Company will provide periodic updates to Energy Services Companies (ESCOs) and curtailed customers so that they can plan accordingly.

The Company will notify the Director of the Office of Electric, Gas and Water of the New York State Department of Public Service when a curtailment is declared and when the situation returns to normal.

## Compensation:

The ESCO or Direct Customer will be the party compensated for the diverted gas. To the extent individual ESCO customers are affected by directing the payment to the ESCO, they will enter into contractual arrangements with the ESCO that clearly spell out the resolution of compensation issues between the customer and the ESCO related to occasions when gas supplies are diverted.