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PSC NO. 3 GAS

St. Lawrence Gas Company, Inc.

Initial Effective Date: 06/04/2004

Leaf: 280

Revision: 0

Superseding Revision:

SERVICE CLASSIFICATION NO. 4

INTERRUPTIBLE SERVICE

Applicable to Use of Service for:

All purposes on an interruptible basis to any customer having the ability to accommodate a complete discontinuance of service during periods of high demand for gas by customers with a higher service priority, and who will contract for service in a written agreement that specifies the maximum daily volume, of not less than 200 Mcf per day, of interruptible gas which customer desires to be made available to him. Annual minimum volume under this provision shall not be less than 250,000 therms. Existing customers currently served under this schedule not meeting the demand and annual volume criteria will continue to be served.

Interruptible transportation of natural gas from a contractually specified Point of Receipt to a contractually specified Point of Delivery.

Company, in its sole discretion, acting reasonably, shall determine the volume of interruptible gas which it shall have available, for sales service, under this Service Classification.

Character of Service:

Natural gas with not less than 950 Btu per cubic foot, at pressures to be agreed upon but not less than 4 inches water column. Interruptible gas supplied hereunder shall be subject to such immediate or other curtailment or interruptions as company, in its sole judgment, shall deem necessary.

Rate:

For Sales Service:

Company may adjust the rate to any rate between the price company pays for its incremental gas plus \$0.01 per therm (adjusted for gross revenue tax and LUF) and the cap price, determined as follows:

- 1. the monthly cost of SC-3 sales gas (including the Interconnection gas cost), plus
- 2. the monthly SC-3 Load Balancing Change, plus
- 3. the margin calculated from the average load factor for interruptible sales customers.

In the event of competitive pressure from alternate fuels, the margin portion of the rate can be reduced to retain interruptible sales. Customers will be advised three business days prior to the effective date as to the rate to be charged. These rates shall be filed with the Commission and be available for public inspection at company offices where applications for service may be made.

Issued by: G. Robert Simpson, President and General Manager, 33 Stearns Street, Massena, NY