PSC NO. 3 GAS St. Lawrence Gas Company, Inc. Initial Effective Date: 06/04/2004 Leaf: 300 Revision: 0 Superseding Revision:

SERVICE CLASSIFICATION NO. 10

DISTRIBUTED GENERATION – NON RESIDENTIAL

Applicable to Use of Service for:

This rate schedule is available to any commercial or industrial customer who is eligible to take service under service classifications Nos. 2 or 3, upon written application and acceptance by the company, for gas service used for the operation of either cogeneration or distributed generation equipment used for mechanical and electrical power applications employing reciprocating engines, gas turbines and emerging gas technologies such as fuel cells, microturbines, and others, where such gas will be used in the production of electricity in generators having an electrical output capacity of less than fifty (50) megawatts, subject to the Special Provisions herein. A separate meter will be installed for gas supplied under this service classification, and the use of gas measured by this meter for other than that above described is expressly prohibited.

For purposes of determining a customer's initial eligibility for service hereunder, the customer shall provide the company with a reasonable estimate of customer's Winter Peak Day Gas Usage and the customer's annual gas usage during the first year of operation of the customers facility, with the first year commencing after a three-month start-up phase.

Customers will contract for service in a written agreement, and customers using more than 5 MW will have a meter capable of recording daily consumption and electronically transmitting such daily recording to the company.

Customers qualifying for service under this Service Classification may contract for either Sales or Reserved Unbundled Transportation Service available under this Service Classification and in accordance with the rules and regulations of company included in General Information.

Customers operating under this service classification must have an annual load factor greater than fifty (50) percent and must demonstrate that qualifying electric generation equipment has been installed at the location. Annual Load Factor is defined as the customer's annual gas usage divided by the product of the customer's Winter Peak Day Gas Usage x 365 days.

The company reserves the right to restrict the location of new customers allowed to take service under this rate with regard to system operation constraints.

The rates available under this Service Classification will be the ceiling price in effect until at least 36 months after the effective date of this Service Classification.