

PSC NO. 3 GAS
St. Lawrence Gas Company, Inc.
Initial Effective Date: 06/04/2004

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Revision: 0
Superseding Revision:

GENERAL INFORMATION

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

IX. Gas Curtailment Procedures: (Cont'd)

- b. The company will have sufficient capacity in its gas distribution system at all times to serve requirements in Priority 1, absent the occurrence of an emergency or a cause beyond its control. In the event that the company does not have capacity sufficient to serve all of its Priority 1 requirements, the company will allocate the available capacity among the affected customers in the manner which, in the company's judgment, best protects the health, safety, and property of its customers.
- c. At the time the company receives an application for Priority 1 service, the company will determine whether it will have sufficient capacity to render all Priority 1 services, including the requested service, over the term of the requested service. If it lacks such capacity, the company will reject the application unless the company agrees to construct the required capacity.
- d. If there is not sufficient capacity to serve all requirements of customers within Priority 2, the capacity available for such customers will either be prorated, or customers will be curtailed on the basis of size, with the largest customers being curtailed first, at the sole discretion of the company.

D. For the purposes of the above requirements, the following definitions shall apply:

- 1. Residential customers shall include any buildings heated solely by gas where persons reside, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels.
- 2. Commercial customers shall include all customers who utilize gas for purposes which do not come directly under another service classification.
- 3. Industrial customers shall include all customers who utilize gas, including utilization for space heating, for the manufacture or processing of goods and materials.

E. Short-Term Interruption or Force Majeure Curtailment Procedures:

In the event of short-term interruption or force majeure curtailment situations, the needs of core customers will be met first, regardless of whether they are sales or transportation customers. Compensation for gas supplies that are interrupted in order to meet core customer needs will be provided. Customers ordered to interrupt or curtail using natural gas shall respond to such order within two hours.

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