

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

Leaf: 124  
Revision: 0  
Superseding Revision:

## GENERAL INFORMATION

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

#### XI. Additional Terms and Conditions Applicable to Transportation Service: (Cont'd)

##### J. Daily Bank Credit and Balancing Provision: (Cont'd)

If or when Customer's/Agent's banked gas account contains a debit balance equal to or greater than the volume consumed by customer, or by the customers aggregated and served by Agent, in the month of Customer's/Agent's highest consumption, company may demand, and if so demanded customer shall provide, security under one of the following options:

1. A deposit in the amount of three times the average monthly usage for the peak season; or
2. A letter of credit, drawn on a bank acceptable to company, in a face amount of three times the average monthly usage for the peak season; or
3. A guarantee provided by another entity, acceptable to company, which satisfies the credit criteria; or
4. Other security acceptable to company.

Any required security deposit shall be refunded to Agent when it is determined that Agent meets the level of credit criteria that no longer requires a security deposit.

All security deposits held shall accrue interest at the Commission's established rate for other customer provided capital.

Customers or Agents delivering the Annual Average Day Transportation Volume shall be deemed to be in balance at the Receipt Point unless otherwise notified by company. Disposition of the Banked Gas Account balance is set forth in 2.XI.K. below.

Customers or Agents utilizing Annual Average Day Transportation Service shall be charged or credited a monthly carrying cost at an interest rate equal to 1/12 of the pretax allowed rate of return on the value of the monthly bank balance: i.e., the difference between the amount of gas delivered and the amount of gas consumed valued at the Avoided Cost of Gas including upstream transmission costs calculated at 100% load factor.

Customers or Agents utilizing Annual Average Day Transportation Service shall be required to clear any net imbalance in customer's or Agent's Banked Gas Account as at the end of each contract year, as set forth in 2.XI.K. below. Customers or Agents utilizing Monthly Average Day or Maximum Day Transportation Service shall be required to settle their accounts with Company on a monthly basis as provided in 2.XI.K. below.