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Rochester Gas and Electric Corporation

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SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

- 3. A customer and the Company shall agree as to the operating mode, interconnection and equipment specifications for the OSG facility pursuant to either a or b below, as may be amended or superseded:
 - a) the SIR Contract, or
 - b) RG&E's Bulletin 86-01.
- 4. A customer will be responsible for all costs associated with its OSG interconnection as set forth in the requirements listed in paragraphs 3a or 3b above, as applicable.
- 5. Maintenance Schedules: A customer applying for Standby Service with a standby Contract Demand greater than 1000 kW is required to provide the Company with a schedule of OSG maintenance. A schedule must include the dates and times for the beginning and ending of all planned outages. A customer may revise the schedule one (1) month prior to the effective date of the outage. However, modifications communicated with less than one (1) month's notice will not be allowed, unless the customer obtains Company approval. The annual provision of planned maintenance schedules by the customer will take place on October 1 of each year for Standby Service for the following calendar year. Such schedule will be utilized by RG&E for planning functions. This provision does not take precedence with respect to any OSG maintenance provision in a power purchase agreement that may be in effect with the Company.
- 6. At the time of agreement, the customer with an OSG greater than 300 kVA, excluding Net Metered Farm Waste Generators less than 1000 kW, may select the payment method for paying the Company operations and maintenance charges on the interconnection equipment paid for by the customer but owned by RG&E. The customer may select to pay either the actual charges for maintenance, as they may occur, or the customer may choose to pay an annual carrying charge of 9% (subject to review in the Company's rate case proceedings) on the total investment in such equipment. The operations and maintenance costs on such equipment is billed on a monthly basis pursuant to the applicable contract or agreement.
- 7. NAERC Guidelines: A customer taking Standby Service shall comply with all reliability criteria, guidelines, and procedures established by the North American Electric Reliability Council ("NAERC") as the same may be amended or superseded. Such compliance is necessary to ensure the continued reliability of North America's interconnected electric transmission electric systems.

UNAUTHORIZED OSG INTERCONNECTION BY CUSTOMER:

If a customer connects OSG to its electric system without: (a) notifying the Company; and (b) executing an appropriate Standby Service Application, and thereafter the Company discovers the interconnection, RG&E will backbill the customer for all Standby Service rendered subsequent to the estimated connection of such OSG.

In preparing such backbills, the Company will assess a Standby Service Contract Demand surcharge equal to two times that which would otherwise be computed under the Determination of Demand Provision, paragraph 1 (Company Set Contract Demand) of this Service Classification, and assume the standby Contract Demand had been inappropriately established at 0 kW.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York