

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: November 1, 2007
Issued in Compliance with order in Case 07-G-0299 dated August 30, 2007

Leaf No. 127.30.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

10. GENERAL RETAIL ACCESS - MULTI-RETAILER MODEL (Cont'd)

ESCOs serving Customers under Service Classification No. 3 without alternate fuel capability and are Human Needs will receive a release of primary point capacity from RG&E to serve their customers peak day needs unless the ESCO has grandfathered capacity, as described below.

Any ESCO currently using its own capacity to meet primary point capacity requirements for Human Needs customers will be allowed to continue to do so based on the highest customer load for the September 1 through November 1, 2007 transition period.

- ESCO's with Grandfathered Capacity shall be required to demonstrate to the Company that they have contracted for a sufficient amount of firm, non-recallable, primary delivery point capacity to the Company's citygate, during the months of November through March, to meet the peak day needs of those Customers.
- The volumetric level of grandfathered primary point deliverability will be reviewed annually on April 1 to adjust for any reductions in the level of customer load served by the ESCO. If the change in the volumetric level of grandfathered primary point deliverability is less than 5% or 500 Dth, whichever is less, the maximum level of grandfathered primary point deliverability for the ESCO will not be reduced. If the change in the volumetric level of grandfathered primary point deliverability is equal to or greater than the lesser of 5% or 500 Dth, the maximum level of grandfathered primary point deliverability for the ESCO will be reduced to the volumetric level identified on April 1. The level of grandfathered primary point deliverability will not be increased unless the ESCO purchases the entire book of customers from another ESCO as described.
- An ESCO using its own capacity to meet some or all of its customer's requirements may pass those grandfather rights on as a package only when it sells its entire customer book to another ESCO.
- Firm primary point capacity that is released by the Company to a ESCO will be release monthly for 12 months.
- Grandfathered ESCO-supplied capacity can be held for the five winter months but must be primary point delivery.

Customers served under Service Classification No. 3 with alternate fuel capability, shall be required to demonstrate to the Company that they have alternate fuel capability to meet their peak day needs. Such alternate fuel capability shall be capable of handling an extended outage for a period of at least five days; and it shall be the Customer's responsibility to provide annual proof or certification that the equipment has been tested. These requirements also apply to Service Classification No. 7 customers whose annual use is greater than or equal to 35,000 therms.

ESCOs serving Customers under Service Classification No. 5 or Service Classification No. 7 whose annual use is less than 35,000 therms or Service Classification No. 9, of this tariff will receive a capacity release from the Company for firm primary delivery point capacity to the Company's citygate to meet the winter season design day needs of those Customers.

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