

PSC No: 17 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: June 19, 2003
Issued under the authority of the PSC in Case 03-G-0638, order effective May 23, 2003

Leaf No. 114
Revision: 1
Superseding Revision: 0

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd):

A. Service Classification No. 3 - Large General Service (Cont'd)

8. Economic Development Zone Rider (Cont'd)

The Distribution Provider will calculate bills for service supplied under the Economic Development Zone Rider in accordance with the rates per therm listed in Appendix A. The rates set forth under this rider shall be subject to a Distribution Rate Adjustment per therm of gas delivered, as determined in accordance with Special Provision A.4. of this service classification.

The rates and charges under this rider, including Distribution Rate Adjustment, are increased by the applicable effective aggregate percentage shown in Rule 5.F for service supplied the municipality where the customer is taking service.

The Distribution Customer will pay a monthly service bill at the rates and charges under this rider for all therms in excess of a base amount established for each monthly billing period. For an existing Retail Customer, the base amount of therms will be determined by the Distribution Provider using an annual historical period. For a prospective Retail Customer, the base amount of therms will be zero.

The rates and charges under this rider, which reflect the Distribution Provider's incremental cost of providing distribution service, will be subject to periodic review and revision, subject to Public Service Commission approval. A Distribution Customer will be eligible to receive the Economic Development Zone rates for a qualified Retail Customer until the designated ten year term expires, or until the Retail Customer's initial certification becomes invalid. The Distribution Provider reserves the right to establish means of periodically verifying the validity of a Retail Customer's certificate.

9. Individually Negotiated Contracts

In cases where a Distribution Customer has a viable option to bypass, the Company's distribution facilities, the Company may negotiate a special rate with that Distribution Customer. The rate and term shall be the subject of a special contract negotiated between the Company and the Distribution Customer. The negotiated rate shall recover all incremental costs the Company incurs in serving the Distribution Customer and shall provide a reasonable contribution to system costs. Summaries of contract information will be available in Contract Addenda contained in this tariff.

Service Classification No. 4 - General Service - Economic Development

1. Purpose

This Service Classification is designed to attract business relocation or expansion to the Distribution Provider's service territory by offering a discount to a customer's service bill, over a specified period, for new or additional load.

2. Eligibility Criteria

Any of a Distribution Customer's new or existing Retail Customer service points, or a Direct Customer service point, that meets all of the following eligibility requirements shall be eligible to receive service for that service point in accordance with the rates, charges and provisions set forth under this Service Classification No. 4:

- a) The Distribution Customer's Retail Customer or Direct Customer service point is eligible to receive service under Service Classification No. 3 - Large General Service (standard pressure), and its use is non-residential in nature, and

(Continued on next leaf)

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