PSC No: 17 - Gas Rochester Gas and Electric Corporation Initial Effective Date: June 1, 2003 Leaf No. 121 Revision: 0 Superseding Revision:

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd):

C. Service Classification No. 5 - Small General Service (Cont'd)

- 7. Retail Access Capacity Program
 - i) Transfer of Gas in Storage

Where storage assets are released to a Distribution Customer in conjunction with this Retail Access Capacity Program after the commencement of the storage injection season (April 1 of each year), the Distribution Provider shall transfer to the Distribution Customer a quantity of gas equivalent to a pro-rata share of gas that the Distribution Provider has acquired to provide service to the migrated Retail Customers. The quantity of gas transferred shall be the storage capacity to be released multiplied by a percentage (published in Distribution Provider's GTOP) representing the planned degree to which the Distribution Provider's storage will be filled at the beginning of the month during which the release is made. As detailed below, there will be a Distribution Customer Charge and a Distribution Customer Credit associated with transfers of gas in storage.

Distribution Customer Charge:

The Distribution Customer shall pay the Distribution Provider: 1) the weighted average commodity cost of gas in storage multiplied by the quantity of gas transferred; plus 2) a contribution to storage capacity costs calculated as shown below.

The weighted average cost of commodity will be billed for each transfer of DTI storage and will be billed in November for the cumulative gas transfer of Union storage. The contribution to storage capacity will be calculated differently for east side and west capacity as indicated below. The calculations for the east side and west side will be added together to derive a total cost.

<u>Applicable to DTI pipeline for the months May – March</u> East side = (rscapdti * wacos₃ * months_{APR}) + (rscapdti * months_{NOV} * (ftnngss\$/cgdeliv_{DTI}))

<u>Applicable to TCPL Pipeline and Empire Pipeline for the months May – March:</u> West side = ($rscapun * wacos_3 * months_{APR}$)

<u>Applicable to Union Storage for the month of November</u> West side = (rscapun * wacos₄* months_{Apr/oct})

Where:

West side = Union storage capacity and related storage transportation on TCPL and Empire

East side = DTI storage and related storage transportation

(Continued on next leaf)

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