

PSC No: 17 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2003

Leaf No. 128
Revision: 0
Superseding Revision:

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd):

D. Service Classification No. 10 - General Service - Distribution Service to Electric Generation (Cont'd)

6. Balancing Service

All service points served under this service classification will be required to be balanced using either the Daily Balancing Service, or the CSC Enhanced Daily Balancing Service, as specified in Schedule B of this tariff. The Distribution Customer or Direct Customer will select the balancing option for each service point.

7. Loss Allowance

To account for loss of natural gas during the process of delivery by the Distribution Provider to a Direct Customer's or a Retail Customer's service point, the Direct Customer or the Distribution Customer serving that service point shall provide on a monthly basis to the Distribution Provider an additional volume of natural gas equal to 1% of the service point's measured consumption.

8. Initial Hook-Up Costs

The Direct Customer or the Distribution Customer (or the Distribution Customer's Retail Customer) shall pay all costs and expenses incurred by the Distribution Provider in order to provide service to that Direct Customer or Retail Customer, including but not limited to, service lines, main extensions, measuring and/or regulating equipment, and system reinforcements.

9. Other Gas Services

Other gas services provided to the Direct Customer's or Retail Customer's service point, such as ignition gas and space heating requirements, whether or not separately metered, will be separately priced at the tariff rates applicable for those types of services.

10. Term Of Service

The initial term of service shall be five years, during which time the distribution rate shall not change.

11. Negotiated Contracts

Direct Customers or Distribution Customers serving service points eligible for this service classification will be allowed to negotiate terms and prices that differ from the foregoing base tariff provisions to reflect bypass opportunities as well as operational flexibilities, such as rate design or the degree of interruption. The terms and conditions of such agreements shall be filed with the Commission as tariff addenda. The Company may not negotiate the rate, or any related matters, including rate structure and level of interruption, with any of its affiliates.

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