

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

Leaf No. 124
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

j) Return of Storage Capacity

In the event that a Distribution Customer's load pursuant to this service classification declines, necessitating a return of capacity to the Distribution Provider, the Distribution Customer will transfer to the Distribution Provider an amount of gas equal to the returned storage capacity multiplied by a percentage representing the planned degree to which the Distribution Provider's storage will be filled at the beginning of the month during which the return is made. As detailed below, there will be a Distribution Customer Credit and a Distribution Customer Charge associated with transfers of gas in storage.

Distribution Customer Credit:

The Distribution Provider will credit the Distribution Customer: 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 Distribution Provider will credit the Distribution Customer at the Distribution Provider's weighted average commodity cost of gas in storage for the transferred gas. The weighted average cost of commodity will be credited monthly for gas purchased from DTI storage and will be credited in November for gas purchased from Union storage. If the Distribution Customer does not have a quantity of gas in storage equal to the above calculated amount, the Distribution Customer must procure an amount of gas in storage and available for immediate withdrawal by the Distribution Provider, to meet this requirement. In the event, the Distribution Customer does not provide the required gas; the Distribution Provider will bill the Distribution Customer the higher of: 1) the costs associated with replacement of the gas supplies, or 2) the cost determined by applying the Weighted Average Cost of Gas per therm, as stated on the Small General Service Distribution Rate Adjustment Statement

The calculation of the Distribution Customer credit for capacity costs is:

Applicable to DTI for the Months of May through March

East side = $(rscapdti * wacos_3 * months_{APR}) + (rscapdti * months_{NOV} * (ftnngss\$/cgdeliv_{DTI}))$

Applicable to TCPL and Empire for the months of May – March

West side = $(rscapun * wacos_3 * months_{APR})$

Applicable to Union Storage (for the month of November)

West side = $(rscapun * wacos_4 * months_{APR_{Oct}})$

(Continued on next leaf)

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