

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

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Revision: 0
Superseding Revision:

SCHEDULE B

GAS BALANCING SERVICE (Cont'd)

TYPE OF BALANCING SERVICE (Cont'd)

C) Small-Volume Customer Balancing Service (Cont'd)

3. Storage Asset Requirements

The Distribution Customer must maintain sufficient DTI No-Notice Storage and associated transportation capacity entitlements under the CSC service to cover the imbalance between the amount of gas nominated and delivered to the Distribution Provider's system on a scheduled basis, and the metered consumption at the service points in its Balance Control Account multiplied by the factor of adjustment as stated in Rule 4.B, on a daily basis. The Distribution Provider will release the assets to the Distribution Customer in accordance with Special Provision C.7 of Schedule A of this Tariff.

4. Amount of Gas to be Delivered

The Distribution Customer is expected to achieve a balance between its deliveries and the consumption at the service points within its Balance Control Account. On a daily basis, the imbalance between the amount of gas nominated and delivered to the Distribution Provider's city gates on a scheduled basis, and the metered consumption at the service points within the Distribution Customer's Balance Control Account multiplied by the factor of adjustment stated in Rule 4.B, must be within the Distribution Customer's entitlements under its CSC service contract with DTI. The Distribution Customer will determine the amount of gas to be delivered to the Distribution Provider's system. The Distribution Customer will report to the Distribution Provider its projected storage withdrawal for each day, along with its flowing gas nominations. Such projected storage withdrawal amount plus the flowing gas amount must equal the Distribution Customer's projected load for that day.

5. Estimated Flow Volume

In order to assist the Distribution Customer in determining the amount of gas to deliver, each day the Distribution Provider will forecast the load for each Retail Customer in the Distribution Customer's balance control account and aggregate those loads into a total forecasted load for the Distribution Customer for the following gas day. The Distribution Provider will provide this Estimated Flow Volume to the Distribution Customer. The Distribution Provider makes no warranty, expressed or implied, as to the accuracy of the Estimated Flow Volume. The Distribution Customer is solely responsible for determining the amount of gas to deliver to the Distribution Provider's system.

(Continued on next leaf)

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