

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

Leaf No. 132
Revision: 0
Superseding Revision:

SCHEDULE B
GAS BALANCING SERVICE (Cont'd)

TYPE OF BALANCING SERVICE

Each Distribution Customer serving Retail Customers under Schedule A of this tariff shall select or change the balancing service for each of its Retail Customers prior to each storage year (April 1 – March 31). The Distribution Customer shall notify the Distribution Provider in writing of such selections and changes by March 15. If the Distribution Customer elects not to change their balancing service, there is no need to contact RG&E. The Distribution Provider shall cause the selection or change to take effect on April 1. The following balancing services will be offered.

A) Daily Balancing Service

Daily Balancing Service is a process wherein the Distribution Provider accommodates the difference, on a daily basis, between the actual usage of the Distribution Customer's Retail Customer service points, grossed up for losses, and the quantity of gas delivered by the Distribution Customer to the Distribution Provider's system for such service points. This difference may be either positive or negative. Any such daily differences will be cashed out using the process detailed below. It is the Distribution Customer's responsibility to nominate, on a daily basis, those volumes that it expects its Retail Customer service points to consume, utilizing the daily meter read data for those service points, provided by the Distribution Provider.

Daily Balancing Service consists of the following factors:

1. Daily Meter Read Data

Retail Customer service points must have automated meter reading devices installed to provide daily meter reads. Daily meter read data for each Retail Customer Service point will be made available by 2:00 PM Eastern Time for the previous day's usage. The Distribution Provider will accommodate potential errors of accuracy and omission by working with Distribution Customers to preclude any scheduling anomalies and in adjusting any cash outs or penalties that can be directly attributed to such meter errors. In the event of meter recording device or phone line failure, Distribution Customers and their Retail Customers shall be responsible for providing meter reads directly to the Distribution Provider by no later than 10:00 a.m. on business days. On any business day that the Distribution Customer or Retail Customer fails to provide timely meter reads, the Distribution Provider will charge a special meter read fee per service point in accordance with the Special Services Statement of this tariff. The Distribution Customer or Retail Customer may, but is not obligated to, provide a meter read on weekends and holidays. When no meter read is provided, the Distribution Provider will estimate the usage for those days. Unless otherwise agreed to by both parties, in the event the problem continues for more than 30 days, the Distribution Provider has the right to either correct the problem at the Distribution Customer's and their Retail Customer's expense or discontinue service under Service Classification No. 3 and the meter recording device will be removed.

2. 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 Distribution Customer will determine the amount of gas to be delivered to the Distribution Provider's citygate. Each day, the difference between the total metered amount of gas used by the Retail Customers in the Distribution Customer's Balance Control Account multiplied by the factor of adjustment as stated in Rule 4.B, and the total amount delivered to the Distribution Provider's city gates for the Distribution Customer's Balance Control Account will be subject to a daily cashout according to the applicable provisions of Section 3 - Daily Cashout Under Non-Operational Flow Order (OFO) Conditions or Section 4 - Daily Cashout Under Operational Flow Order (OFO) Conditions, of this Schedule B, below.

(Continued on next leaf)

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