Received: 04/23/2003 Status: CANCELLED Effective Date: 06/01/2003

PSC No: 17 - Gas Leaf No. 42
Rochester Gas and Electric Corporation Revision: 0
Initial Effective Date: June 1, 2003 Superseding Revision:

GENERAL INFORMATION

PART II – RULES AND REGULATIONS

4. OPERATIONAL ISSUES

A. Forecasting

For all Retail Customer service points, the Distribution Customer is responsible for forecasting the usage of those service points, in accordance with the provision of Schedule B.

B. Scheduling of Deliveries

The Distribution Customer is responsible for scheduling deliveries on the upstream pipelines directly serving the Distribution Provider's citygates, in accordance with the procedures of those pipelines and the provisions of Schedules A and B of this tariff. The quantity delivered shall be equal to the amount that the Distribution Customer is required to deliver based on the balancing service selected for each of its Retail Customer service points. The factor of adjustment used for balancing purposes to account for losses on the Distribution Provider's system is 1.0128.

C. Balancing and Settlement

Each of the Distribution Customer's Retail Customer service points will be assigned a balancing option from Schedule B of this tariff, in accordance with the provisions of Schedule A of this tariff. Balancing of Distribution Customer deliveries with Distribution Customer loads will be accomplished as specified in provisions of the applicable balancing option. Charges for balancing and cashout of overdeliveries or underdeliveries will be as specified in Schedule B.

D. Upstream Pipeline Capacity

The Distribution Customer is responsible to meet the requirements for capacity on the upstream pipelines serving the Distribution Provider's citygates, in accordance with the provisions of Schedule B.

E. Operation of the Distribution System

(1) Distribution Provider Responsibilities

The Distribution Provider shall be responsible for the operation and maintenance of its distribution system, including:

- i) Engineering, design and construction of the system;
- ii) Extension/expansion of the distribution system;
- iii) Connection of new customers to the system;
- iv) Confirmation of upstream pipeline nominations;
- v) Measurement of gas into the system;
- vi) Maintaining adequate pressures within the system;
- vii) Delivery of gas to service points;
- viii) Maintenance and repair of the system;
- ix) Emergency response and repairs;
- x) Disconnection and reconnection of customers:
- xi) Maintenance of curtailment plans;
- xii) Provision of balancing services as specified in Schedule B;
- xiii) Communication with Distribution Customers.

(Continued on next leaf)

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