PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: June 1, 2003 Effective: Leaf No. 83 Revision: 0 Superseding Revision:

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

K.2 ECONOMIC DEVELOPMENT ZONE RIDER (Cont'd)

OTHER

A qualified customer will pay a monthly service bill at the rates and charges under this rider for all therms in excess a base amount established for each monthly billing period. For an existing customer, the base amount of therms 11 be determined by the Company using an annual historical period. For a prospective customer, the base amount therms will be zero.

The rates and charges under this rider, which reflect the Company's incremental cost of providing service, will subject to periodic review and revision, subject to Public Service Commission approval. If it is determined that the bill calculated under this rider exceeds the bill calculated under the otherwise applicable standard Service classification rates, the customer will pay the lower of the two bills.

Qualified customers will be eligible to receive the Economic Development Zone rates until the designated ten year m expires, or until a customer's initial certification becomes invalid. The Company reserves the right to establish means of periodically verifying the validity of a customer's certificate.

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