PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Initial Effective Date: August 1, 2004

Issued in compliance with order in Case 04-G-0386 issued July 28, 2004

Leaf No. 133.10

Revision: 2

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 5

GAS SERVICE-POINT TRANSPORTATION SERVICE – S.C. NO. 5 (Cont'd):

Applicable to TCPL Pipeline and Empire Pipeline for the months May – March:

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

Applicable to the DSR Service for the month of November

West side = (rscapun * $wacos_4$ * $months_{Apr/oct}$)

Where:

West side	=	The DSR Service and related storage transportation on TCPL and Empire
East side	=	DTI storage and related storage transportation
rscapdti	=	The amount of storage deliverability from DTI storage at city gate released to the ESCO (in DT).
rscapun	=	The amount of storage deliverability from the DSR Service at city gate released to the ESCO (in DT).
$wacos_1$	=	The Company's monthly weighted average cost of storage assets, including the DSR Service and associated TCPL and Empire transportation, and DTI GSS storage (capacity and demand) (in $/DT).
$wacos_2$	=	The Company's monthly weighted average cost of storage assets, including FTNNGSS, the DSR Service and associated TCPL and Empire transportation, and DTI GSS storage (capacity and demand) (in $/DT).
$wacos_3$	=	The Company's monthly weighted average cost of storage assets, including associated TCPL and Empire transportation (but excluding the DSR Service), and DTI GSS storage (capacity and demand) (in $/DT).
$wacos_4$	=	$Wacos_1 - Wacos_3$
$months_{APR}$	=	The number of months from April to the month prior to the transfer month, inclusive.
$months_{NOV}$	=	The number of months from November to the month prior to the transfer month, inclusive.
$months_{Apr/Oct}$	=	The number of months from April to October
ftnngss$	=	The Company's total monthly costs for DTI's FTNNGSS transportation service (in $/month).
$cgdeliv_{DTI}$	=	The Company's total DTI storage deliverability at city gate (in DT).(Continued on next leaf)

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