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PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Initial Effective Date: June 8, 2004

Leaf No. 129

Revision: 3

Superseding Revision: 2

Issued in compliance with order in Cases 02-E-0198 and 02-G-0199 dated June 2, 2004

SERVICE CLASSIFICATION NO. 1 (Cont'd)

GENERAL SERVICE

TERMS OF PAYMENT:

All bills are rendered at the above rate. A late payment charge of one and one-half percent (1 1/2%) per month shall become due and payable if payment is not made on or before the "last day to pay" date specified on the bill in accordance with the provisions of Rule 4.D.2.

TERM:

Except for customers who switch to this service classification from Service Classification No. 3 or Service Classification No. 5 of this tariff, service may be discontinued upon three days' written notice. Customers who switch to this service classification from Service Classification No. 3 or Service Classification No. 5 must remain on this service classification for the minimum period stated in Rule 10.C.10 of this tariff.

SPECIAL PROVISIONS:

1. Economic Development Zone Rider

Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.K.2 shall pay for delivery service at the following rate:

| <u>Usage</u> | <u>Rate</u> |
|-----------------------------|-------------|
| First 3 therms or less | \$13.50 |
| Next 97 therms, per therm | .18967 |
| Next 400 therms, per therm | .14327 |
| Next 500 therms, per therm | .12665 |
| Over 1,000 therms, per them | .09145 |

All other rates, as described above, are also applicable.

2. HEAP Eligible Non-Heating Gas Customers

Service taken under this Service Classification may be eligible for special rates and charges if customers are classified as residential, are eligible for the Home Energy Assistance Program (HEAP) and do not use gas for spaceheating. Any customer who meet these qualifications as determined by the Company, shall pay for delivery service at the following rate:

| <u>Usage</u> | Rate |
|-----------------------------|--------|
| First 3 therms or less | \$5.81 |
| Next 97 therms, per therm | .17417 |
| Next 400 therms, per therm | .16241 |
| Next 500 therms, per therm | .14358 |
| Over 1,000 therms, per them | .08398 |

All other rates, as described above, are also applicable.

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