PSC No: 16 - Gas Leaf No. 130.6 Rochester Gas and Electric Corporation Revision: 3 Initial Effective Date: January 1, 2005 Superseding Revision: 2 Issued in compliance with order in Cases 02-E-0198 and 02-G-0199 dated June 2, 2004

SERVICE CLASSIFICATION NO. 3

GAS SERVICE-POINT TRANSPORTATION SERVICE - S.C. NO. 3:

1. Applicable to Use of Service for: All purposes in the entire territory by a Customer whose annual use at a given service point is 3500 dekatherms or more. The Customer must abide by all Company Tariff provisions and all other applicable laws, rules and provisions.

2. High Pressure Option:

Where service off the certified main (allowable pressures in excess of 125 psi) is available at the Customer's metering point, and where the customer elects to be served thereby, the high pressure rates set forth in this Service Classification shall apply.

3. Balancing Service:

All service points served under this service classification will be required to be balanced using either the S.C. No. 3 Daily Balancing Service or S.C. No. 3 CSC Enhanced Daily Balancing Service, as specified Rule 10.J.

4. New Metered Service Points:

To initiate service for either a new Customer or an existing Customer with a new service point, the Customer must submit a signed General Service Application to the Marketing and Sales Department. The Customer must have installed an automated meter reading device and an operational phone line by the 20th calendar day of the month in order for service to be initiated on the 1st calendar day of the next month. All provisions of this service classification shall be initiated on the 1st calendar day of the month.

5. Existing Service Points Switching Service Providers:

To request a transfer of an existing Service Point from one ESCO's service to another, the Customer and ESCO must each submit a formal request on their letterhead to the Supplier Services Department 5 business days prior to the end of the month. The switch of the service point will occur on the 1st calendar day of the next month.

6. Gas Transportation Service Rates and Charges:

| S.C.No. 3 Monthly Usage | Transportation Rate | Transportation Rate High Pressure Option |
|----------------------------------|------------------------|--|
| First 1000 therms or less | \$410.00 | \$880.00 |
| Next 29,000 therms, per therm | \$0.08429 | \$0.02717 |
| Next 70,000 therms, per therm | \$0.06679 | \$0.02717 |
| Next 900,000 therms, per therm | \$0.02583 | \$0.02717 |
| Over 1,000,000 therms, per therm | \$0.01333 | \$0.01403 |
| Minimum Monthly Charge: | \$410.00 | \$880.00 |

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