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PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Revision: 0

Initial Effective Date: February 19, 2004

Superseding Revision:

Issued in compliance with orders in Case 98-M-1343 dated Nov. 21, 2003 and Cases 99-M-0631 and 03-M-0117 dated Dec. 19, 2003

SERVICE CLASSIFICATION NO. 10

GAS SERVICE-POINT TRANSPORTATION SERVICE (Cont'd):

5. Minimum Bill

The minimum annual bill will be based on not less than 50% of the generator's maximum annual quantity utilizing the rate elements discussed for this service classification.

6. 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 the S.C. No. 3 CSC Enhanced Daily Balancing Service, as specified Rule 10.J. The ESCO/DC will select the balancing option for each service agreement.

7. Loss Allowance

To account for loss of natural gas during the process of delivery by the Company to a Customer's service point, the Customer shall provide on a monthly basis to the Company an additional volume of natural gas equal to 1% of the service point's measured consumption.

8. Initial Hook-Up Costs

The Customer shall pay all costs and expenses incurred by the Company in order to provide service to that Customer, including but not limited to, service lines, main extensions, measuring and/or regulating equipment, and system reinforcements.

9. Other Gas Services

Other gas services provided to the Customer's service point, such as ignition gas and space heating requirements, whether or not separately metered, will be separately priced at the tariff rates applicable for those types of services.

10. Term Of Service

The initial term of service shall be five years, during which time the transportation rate shall not change.

11. Negotiated Contracts

Customers will be allowed to negotiate terms and prices that differ from the foregoing base tariff provisions to reflect bypass opportunities as well as operational flexibilities, such as rate design or the degree of interruption. The terms and conditions of such agreements shall be filed with the Commission as tariff addenda. The Company may not negotiate the rate, or any related matters, including rate structure and level of interruption, with any of its affiliates.

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