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PSC No: 20 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: February 6, 2004

Leaf No. 177.1

Revision: 1

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In compliance with order in Case 02-E-0551, Establishing Electric Standby Rates, Issued and Effective July 29, 2003

SCHEDULE A SERVICE POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS: (Cont'd) Service Classification No. 14 Standby Service

1. APPLICABLE TO USE OF SERVICE FOR: Delivery of Standby Service for any Retail Customer where all or a portion of a Retail Customer's electricity is supplied from On-Site Generating facilities ("OSG", defined as a generation facility that does not provide electricity supply to the Retail Customer by means of the Company's delivery facilities) without using the Company's delivery system (defined as the distribution and/or transmission system, regardless of voltage or functional classification). An OSG, whether owned by the Retail Customer or a third party, can produce electricity primarily to serve the Retail Customer's native load, to sell in the wholesale market or to carry out a combination thereof. Such OSG may be connected with the Company's delivery system for parallel operation, or operate under the control of a single pull, double-throw switch (or similar device). For Retail Customers with multiple electrical services, this tariff applies to each of the Retail Customer's electrical services that are not electrically isolated from the OSG. All separately metered electricity supply and/or delivery service not otherwise served by the OSG (e.g., separate delivery service to the facility's guardhouse or other facilities electrically isolated from the OSG) will be provided under the Otherwise Applicable Service Classification ("OASC", defined as the service classification in this tariff that the Retail Customer would otherwise be served at, based on the Retail Customer's connected load. For purposes of this Service Classification, Service Classification Nos. 1, 2, 3, 7, and 8 qualify as OASCs).

Before a Retail Customer is allowed to install and operate an OSG, the Retail Customer must submit design and operating information for the proposed OSG in accordance with the appropriate application and review process described in RG&E's "Bulletin 86-01 Requirements for Independent Power Producers of Electricity" ("Bulletin 86-01").

A Retail Customer operating OSG with a total nameplate rating equal to, or expected to be equal to, fifteen percent (15%) or less of its maximum potential demand served by all sources, as that maximum potential demand is reasonably determined by the Company, will take service under the OASC. RG&E may disqualify a Retail Customer from Standby Service if the Company can demonstrate that the Retail Customer (a) has installed OSG with a total nameplate rating greater than fifteen percent (15%) of its load, but (b) has not operated or is not operating that OSG in a material manner in order to serve the Retail Customer's load.

A Retail Customer who declines service under this tariff is required to electrically isolate its facility from the Company's delivery system, and the Company will not be required to maintain electric delivery service to that Retail Customer's facility. A facility will be deemed "electrically isolated" as set forth below.

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