PSC No: 17 - Gas Rochester Gas and Electric Corporation Initial Effective Date: December 1, 2003 Leaf No. 116 Revision: 1 Superseding Revision: 0

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd):

B. Service Classification No. 4 - General Service - Economic Development (Cont'd)

5. Service Agreement

Upon 30 days notice to the Distribution Provider, and upon acceptance of the application by the Distribution Provider, a Distribution Customer or Direct Customer may qualify for an Individual Service Agreement for a service point pursuant to this Service Classification. The Service Agreement shall contain all terms and conditions necessary for the Distribution Provider to provide service to the service point, including, but not limited to:

- a) The Term of Service. The negotiated term of the Service Agreement shall be at least 12 months. Contracts offering fixed prices are generally limited to a term of seven years, unless a longer term is approved by the New York State Public Service Commission. Contracts offering prices linked to a particular price or cost index may have longer terms, at the option of the Distribution Provider and the Distribution Customer.
- b) The Character of Service terms.
- c) The Rates and Charges to be paid for service rendered.

Service under this Service Classification may be terminated immediately at the Distribution Provider 's option for material breach of the provisions of the Service Agreement. Such Retail Customer's load will be eligible for service under the otherwise appropriate Service Classification.

The first negotiated Service Agreement between the Distribution Provider and a Distribution Customer will be submitted to the Public Service Commission for review. For the initial and subsequent contracts, the Distribution Provider shall file addenda pursuant to Commission Order Concerning Tariffs Authorizing Individually Negotiated Contracts, issued and effective May 8, 1992 in P.S.C. Case 91-M-0927.

6. Balancing Service

All service points served under this service classification will be required to be balanced using either the Daily Balancing Service or the CSC Enhanced Daily Balancing Service, as specified in Schedule B of this tariff. The Distribution Customer or Direct Customer will select the balancing option for each service point.

7. Distribution Rate Adjustment

Under Pricing Option A, above, the charges shall be subject to a Large General Service Distribution Rate Adjustment as described in Special Provision A.4 of Service Classification No. 3. Under Pricing Option B, the charges may be so adjusted.

(Continued on next leaf)

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