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Rochester Gas and Electric Corporation

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GENERAL INFORMATION

PART II RULES AND REGULATIONS

1. DEFINITIONS AND ABBREVIATIONS (Cont'd)

Imbalance: For On-System Balancing Customers, the difference between the Customer's actual delivered quantity of gas and the quantity of gas consumed during a specified period of time. For Citygate Balancing Customers, the difference between the Customer's scheduled delivered quantity of gas and actual delivered quantity of gas during a specified period of time.

Involuntary Switch: A process or situation where a Customer's Marketer is changed from one to another or from one Marketer to the Company's retail service without Customer direct authorization. A Customer's authorization is implied unless the Customer specifically requests otherwise. This would include situations where a Customer returns to the Company's service as a result of a Marketer's failure to deliver. An involuntary switch that is not in accord with the "Discontinuance of Service" provision set forth in the tariff is referred to as "slamming".

Levelized Payment Plan: See Rule 4.D.1 of this schedule entitled "Equal Payment Plan".

Lockbox: A collection mechanism agreed upon by the Company and a Marketer which employs a third party financial institution to receive and disburse customer payments.

Main: A pipeline located on a public or private right-of-way generally available or used to transport gas to more than one service line.

Marketer: Any non-utility entity that is determined eligible by the Department of Public Service to provide or arrange to provide gas supply and other services on behalf of end use customers in New York State using the local utility's distribution system

New Delivery Customer: A customer that initiates delivery service by contacting the Company or a Marketer. Notices received from a Marketer will be in accordance with the provisions of this tariff until such time that a uniform statewide format is adopted.

On-System Balancing: The process of comparing actual customer usage with the quantity of gas delivered by the Customer (or the Customer's Marketer) to the Company during a specified period of time. Differences between these amounts are referred to as "imbalances".

Operational Flow Order (OFO): An order issued during an emergency which requires the Company to invoke a series of tight operating conditions so as to insure the reliability of the gas system.

Public Right-Of-Way: The territorial limits of any street, avenue, road or way (other than a limited access thoroughfare) that is for highway purposes under the jurisdiction of the State of New York or the legislative body of any county, city, town or village and is open to public use.

Rollover: The settlement of monthly imbalances in a subsequent month by modifying gas deliveries to eliminate the deficiency or surplus.

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