Received: 11/03/2003 Status: CANCELLED Effective Date: 02/01/2004

PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: February 1, 2004

Leaf No. 250

Revision: 0

Superseding Revision:

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

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

2. Individual Agreements for Customers Selling into the Wholesale Market

RG&E is authorized to offer individually negotiated agreements for Standby Service with customers that sell into the market, or to a third party, no less than ninety percent (90%) of their site's energy output, net of station power requirements, from generators located on the site having a total name plate rating equal to or greater than fifty (50) MW. The rates and charges negotiated will reflect, where applicable, the characteristics of the specific interconnection arrangements, including, but not limited to, the voltage level of the interconnection, whether the interconnection is bi-directional, and the nature of the RG&E facility where the generator is interconnected with the RG&E system. RG&E shall respond to a customer application for a negotiated rate agreement within ninety (90) days of its receipt with a negotiated rate agreement offer or a written explanation for its rejection of the application. Either party may seek from Staff a non-binding resolution of a dispute over the negotiation of such an individual rate agreement. In the event of a conflict between any provision of an agreement negotiated pursuant to this authority and any inconsistent provision of RG&E's Joint Proposal filed April 15, 2003 in Case 02-E-0551 or the standby rate provisions of RG&E's tariff on the same subject, the provision of the negotiated agreement shall take precedence and control.

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