

PSC No: 16 - Gas

Leaf No. 127.38.1

Rochester Gas and Electric Corporation

Revision: 7

Initial Effective Date: October 1, 2017

Superseding Revision: 6

Issued in compliance with Order in Case 16-G-0533, dated September 20, 2017.

GENERAL INFORMATION**10. GENERAL RETAIL ACCESS (Cont'd)****G. Gas Balancing Service (Cont'd)****(2) S.C. No. 3, S.C. No. 7, S.C. No. 10 (annual use greater than or equal to 35,000 therms) and S.C. No. 16 (annual use greater than or equal to 35,000 therms) CSC Enhanced Daily Balancing Service (Cont'd)**

(a) S.C. No. 3, S.C. No. 7, S.C. No. 10, and S.C. No. 16 CSC Enhanced Daily Balancing Service consists of the following factors:

(i) **Delivery Point Operator**

The Company must apply to, and be accepted by, DTI for service under DTI's FERC rate schedule DPO and act as the Delivery Point Operator. The Company shall have all of the rights under and be responsible for meeting all requirements of that schedule.

(ii) **Citygate Swing Customer**

The ESCO must apply to, and be accepted by, DTI for service under rate schedule CSC. The ESCO shall be responsible for meeting all requirements of that schedule. Upon notification by DTI that CSC service to the ESCO has been suspended or terminated, the ESCO shall be immediately transferred to Daily Balancing Service until such time as the ESCO's eligibility for CSC service from DTI is restored. The ESCO shall be responsible to pay the Company any costs incurred by the Company as a result of the ESCO's failure to maintain service under DTI's rate schedule CSC.

(iii) **Storage Asset Requirements**

The ESCO must maintain sufficient DTI No-Notice Storage and associated transportation capacity entitlements under the CSC service to cover the imbalance between the amount of gas nominated and delivered to the Company's city gates on a scheduled basis, and the metered consumption at the service points in its Balance Control Account multiplied by the factor of adjustment as stated in Rule 10.D.5(b), on a daily basis. The Company, the ESCO and DTI shall collaborate to establish the level of assets required.

(iv) **Release of Storage Assets**

The Company shall release to the ESCO in a prearranged storage release transaction at maximum rates, an amount of storage and associated transportation capacity entitlements on the DTI system, in accordance with Capacity Release program detailed in Service Classification Nos. 3 and 7, and in accordance with the Capacity Release program as described above. This storage capacity shall be released on a recallable basis, and shall be recalled as necessary to ensure that all marketers and the Company have the proper amount of storage to meet peak day requirements. Storage and associated transportation capacity shall be released month to month.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York