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PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Revision: 8

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Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016

GENERAL INFORMATION 10. GENERAL RETAIL ACCESS (Cont'd)

G. Gas Balancing Service

Applicable To Use Of Service For

Balancing of gas delivered by an ESCO for its Customer service points, or by a Direct Customer for its own service point(s), on the Company's gas distribution system for which the ESCO is taking delivery service under the applicable Service Classification of this tariff. Service is limited to any ESCO which:

- a) Satisfies the credit and security requirements in Rule 10.D.7 and
- b) Agrees to the Customer responsibility requirements listed in the applicable service classification and in this tariff

Character Of Service

Dynamically matching the amount of gas delivered to the Company's distribution system by the ESCO with the amount of gas being used by the service points in the ESCO's Balance Control Account, within the parameters set forth in this Rule 10.G.

Customer Responsibility

Under this Schedule, the ESCO is responsible for planning a gas supply sufficient for the needs of the service points in its Balance Control Account and for delivering gas to the Company's system, and for meeting the requirements of all other provisions of this Rule 10.G. The ESCO is responsible for payment to the Company all charges associated with the applicable service classification and in this tariff, including all daily and monthly cashout amounts, surcharges, penalties and applicable taxes.

Establishment of Maximum Daily Transportation Quantity (MDTQ)

A Maximum Daily Transport Quantity (MDTQ) shall be established for each daily metered transportation customer. Each Annual Review shall be based on data collected through August 31 of the year in which the review is conducted. The Annual Review shall establish MDTQs that shall be effective on the following November 1.

MDTQs established during a review may be adjusted between reviews. In the event a Customer exceeds its MDTQ, the MDTQ shall be reset at the higher level at the start of the next billing cycle and remain at that level unless and until changed during the next Annual Review. In the event a customer has a 10% or greater reduction in demand that it can demonstrate shall continue for a period greater than 12 months, the Customer or its then-current ESCO may request a review of the MDTQ prior to the next Annual Review. If such review results in a modification to the MDTQ, the MDTQ shall be reset to reflect that modification at the start of the next billing cycle and remain at that level unless and until changed during the next Annual Review.

Balance Control Account

The Customer service points of an ESCO taking delivery service under the applicable Service Classification of this tariff shall be assigned to a Balance Control Account for balancing service. A separate Balance Control Account shall be established for each type of balancing service elected by the ESCO for its Customer service points.

Designation Of Third Party Agent

An ESCO may designate a third party to act as agent for the ESCO for the purposes of carrying out any of the required functions required by this Schedule. The ESCO remains financially responsible for all rates and charges of this Rule 10.G.

Capacity Requirements

The ESCO is responsible for planning a gas supply sufficient for the needs of the service points in its Balance Control Account and for the transportation capacity required to deliver it to the Company's system.

ESCOs serving Customers under Service Classification No. 3 without alternate fuel capability, as described below, and are not Human Needs customers, , shall be required to demonstrate to the Company that they have contracted for a sufficient amount of firm, non-recallable, primary delivery point capacity to the Company's citygate, during the months of November through March, to meet the peak day needs of those Customers, or have notified its Customers and the Company, in writing, that the Customers may be subject to interruption. These requirements also apply to Service Classification No. 7 customers' whose annual use is greater than or equal to 35,000 therms.

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