

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: July 1, 2016
Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016

Leaf No. 50
Revision: 2
Superseding Revision: 0

GENERAL INFORMATION

3. EXTENSION OF COMPANY FACILITIES TO SERVE CUSTOMER (Cont'd)

A. PROVISION OF GAS SERVICE (Cont'd)

(4) Customer Charges for Additional Facilities (Cont'd)

(a) (Cont'd)

- (v) Should the adjusted gas revenue from all customers served from a main extension exceed the carrying cost of the entire extension, any surcharges (or contributions) paid by such customers during the preceding five years shall be refunded to such customers.
- (vi) No surcharge shall be imposed if the total adjusted gas revenue from all customers served from a main extension is estimated to exceed 40% of the actual reasonable cost of such extension in each of any two consecutive calendar years.
- (vii) In lieu of a surcharge, the applicant, upon mutual agreement with the Company, may provide a cash contribution or other equitable arrangement equal to the cost of the main extension that is in addition to what is required to be provided without charge under Rule 3.A.3, less an allowance equal to an estimated two years adjusted gas revenue.
 - (aa) Whenever more than one customer is initially connected to the extension, the cash contribution shall be reasonably allocated to the several customers served from the extension.
 - (bb) Should additional customers be connected to said main extension during the initial five year period from the date placed in service, a prorata refund shall be made for the cost of that additional portion of main extension which the Company would have had to provide without charge or surcharge.
- (viii) Upon mutual agreement of both Company and applicant, an applicant may provide a guarantee of performance, in lieu of the contribution required in Rule 3.A.(4)(a)(vii) of this Schedule.

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