

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
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GENERAL INFORMATION

5. DISCONTINUANCE OF SERVICE (Cont'd)

C. DISCONTINUANCE OR CURTAILMENT OF SERVICE (Cont'd)

(2) Curtailment Notification Process

The Company will notify the Director of the Office of Gas and Water of the New York State Department of Public Service when a curtailment is declared and when the situation returns to normal. Additional notification will be provided to the Energy Service Companies (ESCOs) and curtailed customers periodically during the curtailment period.

(3) Customer Compliance

Customers are required to comply with the requirements of the curtailment. The allowed curtailment amount may be equivalent to, or a portion of, the customer's base level of usage. Any customer's failure to comply will result in a penalty as described below.

(4) Penalties

Any customer who fails to comply with the Company's curtailment instructions may be charged a penalty the greater of: (a) \$2.50 per therm, or (b) three times the market price on use above the customer's allowed curtailment amount. The market price will be the higher of: (a) the Niagara midpoint index price plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon city gate, or (b) the Dominion Transmission Incorporated (DTI) Appalachia South Point midpoint index price plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia city gate.

(5) General Curtailment Procedures

In the event the Company is unable to satisfy the full requirements of its customers and finds it necessary to curtail existing service due to a deficiency in its gas supply, the Company will curtail service generally following these procedures but will adapt the response to conditions that exist at the time of the curtailment:

- (a) Reduce company-use gas to the extent possible by:
 - (i) Reducing usage of natural gas for electric generation;
 - (ii) Reducing the heating load at company facilities.

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