

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: November 1, 2007
Issued in Compliance with order in Case 07-G-0299 dated August 30, 2007

Leaf No. 127.38.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

10. GENERAL RETAIL ACCESS - MULTI-RETAILER MODEL (Cont'd)

G. Gas Balancing Service (Cont'd)

B) S.C. No. 3 and S.C. No. 7 (annual use greater than or equal to 35,000 therms) CSC Enhanced Daily Balancing Service (Cont'd)

1. Delivery Point Operator

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

2. Citygate Swing Customer

The ESCO must apply to, and be accepted by, DTI for service under rate schedule CSC. The ESCO will 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 will 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.

3. 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 will collaborate to establish the level of assets required.

4. Release of Storage Assets

The Company will 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 detail in Service Classification Nos. 3 and 7. This storage capacity will be released on a recallable basis, and will 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 will be released for a term of one (1) year, effective April 1 of each year, or for the length of the term of the asset if that term is less than one year.

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