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PSC No: 17 - Gas Leaf No. 130
Rochester Gas and Electric Corporation Revision: 1
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Issued in compliance with order in Case 02-M-0515 dated 4/24/03

SCHEDULE B

GAS BALANCING SERVICE (Cont'd)

CAPACITY REQUIREMENTS

The Distribution Customer 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 Distribution Provider's system.

Distribution Customers serving Retail Customers who were continuously taking service under Service Classification No. 3 - General Service Firm Transportation of the Distribution Provider's Schedule for Gas Service, P.S.C. No. 16 until the time of transfer to Schedule A, Service Classification No. 3 of this tariff, and who converted to such service classification No. 3 from Service Classification No. 1 - General Service of P.S.C. No. 16 after November 1, 1996 must demonstrate to the Distribution Provider that they have contracted for a sufficient amount of firm, non-recallable, primary delivery point capacity to the Distribution Provider's citygate, during the months of November through March, to meet the peak day needs of those Retail Customers.

Distribution Customers serving Retail Customers who have been continuously served under Service Classification No. 3 - General Service Firm Transportation of the Distribution Provider's Schedule for Gas Service, P.S.C. No. 16 from prior to November 1, 1996 until the time of transfer to Schedule A, Service Classification No. 3 of this tariff, and who are human needs customers must demonstrate annually to the Distribution Provider that they have contracted for a sufficient amount of firm, non-recallable, primary delivery point capacity to the Distribution Provider's citygate, during the months of November through March, to meet the peak day needs of those Retail Customers, or demonstrate to the Distribution Provider that its Retail Customer has dual-fuel capability to meet such peak day needs. Such dual-fuel capability shall be capable of handling an extended outage; and it shall be the Distribution Customer's responsibility to provide annual proof or certification that the equipment has been tested.

During the months of November through March, Distribution Customers serving Retail Customers under Service Classification No. 5 and Service Classification No. 7 of this tariff must demonstrate to the Distribution Provider that they have contracted for a sufficient amount of firm, non-recallable, primary delivery point capacity to the Distribution Provider's citygate to meet the winter season design day needs of those Retail Customers.

DELIVERY POINT REQUIREMENTS

The Distribution Customer must deliver an amount of gas on each of the two upstream pipelines serving the Distribution Provider's transmission and distribution system that is within the constraints established for ensuring reliable operation of that transmission and distribution system. The Distribution Provider will provide its total system forecasted load, the weather forecast data used to determine that load, and the system constraints for the forecasted load level for each gas day, in accordance with the Gas Transportation Operating Procedures manual.

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

Cancelled by supplement No. 1 effective 02/19/2004 Effective date postponed to 01/01/2004. See Supplement No. 2. Effective date postponed to 12/01/2003. See Supplement No. 1.