Received: 04/23/2003 Status: CANCELLED Effective Date: 06/01/2003

PSC No: 17 - Gas Leaf No. 123
Rochester Gas and Electric Corporation Revision: 0
Initial Effective Date: June 1, 2003 Superseding Revision:

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd):

C. Service Classification No. 5 - Small General Service (Cont'd)

7. Retail Access Capacity Program

i) Transfer of Gas in Storage (Cont'd)

The Distribution Provider will provide a credit to the Distribution Customer for amounts previously paid towards the released storage assets through the balancing charge and/or bundled retail customer rates, equal to the sum, over all months in the period beginning with April and ending at the transfer month, of the monthly credits calculated as follows:

rscap * wacos₂ * (nmt/amt)

Where: rscap = The amount of storage deliverability at city gate released to the

Distribution Customer (in DT)

wacos₂ = The Distribution Provider's monthly weighted average cost of storage

assets, including Union storage and associated TCPL and Empire transportation, DTI GSS storage (demand and capacity), and DTI

FTNNGSS transportation (in \$/DT).

nmt = The normalized throughput for the month for all retail customers served

by Distribution Customers taking service under Service Classification No. 5 of this tariff or served by the Distribution Provider under Service Classification No. 1 of its Schedule for Gas Service, P.S.C. No. 16 (in

DT).

amt = The normalized annual throughput for all retail customers served by

Distribution Customers taking service under Service Classification No. 5 of this tariff or served by the Distribution Provider under Service Classification No. 1 of its Schedule for Gas Service, P.S.C. No. 16,

divided by 12 (in DT).

i) Return of Storage Capacity

In the event that a Distribution Customer's load declines, necessitating a return of capacity to the Distribution Provider, the Distribution Customer will transfer to the Distribution Provider an amount of gas equal to the returned storage capacity multiplied by a percentage representing the planned degree to which the Distribution Provider's storage will be filled at the beginning of the month during which the return is made. The Distribution Provider will reimburse the Distribution Customer at the Distribution Provider's weighted average commodity cost of gas in storage for the above-calculated amount. If the Distribution Customer does not have a quantity of gas in storage equal to the above-calculated amount, the Distribution Customer must procure an amount of gas in storage and available for immediate withdrawal by the Distribution Provider, to meet this requirement. This gas must be available on or before the 1st calendar day of the appropriate month.

(Continued on next leaf)

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