

PSC No: 17 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2003

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Revision: 0
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

a) General

Distribution Customers serving Retail Customers under this service Classification will be required to participate in the Retail Access Capacity Program, as defined in this Special Provision C.7, whereby transportation capacity from liquid trading points - Dawn and Southpoint (i.e. all receipt points on the Dominion Transmission Incorporated (DTI) system south of DTI's Valley Production Compressor Station) - to the Distribution Provider's city gates at Mendon and Caledonia, respectively, and storage capacity, will be released to Distribution Customers serving Retail Customers under this service Classification.

b) Capacity to Be Released

Capacity to be released between Dawn and Mendon shall include transportation capacity on TransCanada PipeLines Limited (TCPL), Union Gas Limited (Union), and Empire State Pipeline (Empire), and storage capacity on Union. These assets shall be termed "Empire Capacity". Capacity to be released between Southpoint and Caledonia shall include transportation and storage capacity on DTI. These assets shall be termed "DTI capacity". The total capacity available for release shall be sufficient to meet the design day load of all retail customers eligible for service under this service classification, as determined from time to time by the Distribution Provider, as well as to meet the operational design requirements of the Distribution Provider's distribution system. References to "release" of capacity are intended to include all transfers to Distribution Customers of rights and obligations pertaining to capacity held by the Distribution Provider unless the context requires otherwise.

c) Methodology for Initial Release

Upon commencement of the Retail Access Capacity Program, the Distribution Provider shall make an initial pro-rata release of transportation and storage capacity on both the Empire and DTI systems to Distribution Customers then serving customers under this service classification. Such release shall be based on winter season design day requirements of the retail load served by each Distribution Customer, as calculated by the Distribution Provider. The allocation methodology shall provide for the Distribution Provider's operational distribution system requirements, including, but not limited to, maintaining the appropriate ratio of storage supply to flowing supply and the appropriate ratio of Empire deliveries to DTI deliveries to ensure system integrity.

(Continued on next leaf)

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