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PSC No: 17 - Gas Leaf No. 114
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):

A. Service Classification No. 3 - Large General Service (Cont'd)

8. Economic Development Zone Rider (Cont'd)

The Distribution Provider will calculate bills for service supplied under the Economic Development Zone Rider in accordance with the rates per therm listed in Appendix A. The rates set forth under this rider shall be subject to a Distribution Rate Adjustment per therm of gas delivered, as determined in accordance with Special Provision A.4. of this service classification.

The rates and charges under this rider, including Distribution Rate Adjustment, are increased by the applicable effective aggregate percentage shown in Rule 5.F for service supplied the municipality where the customer is taking service.

The Distribution Customer will pay a monthly service bill at the rates and charges under this rider for all therms in excess of a base amount established for each monthly billing period. For an existing Retail Customer, the base amount of therms will be determined by the Distribution Provider using an annual historical period. For a prospective Retail Customer, the base amount of therms will be zero.

The rates and charges under this rider, which reflect the Distribution Provider's incremental cost of providing distribution service, will be subject to periodic review and revision, subject to Public Service Commission approval. A Distribution Customer will be eligible to receive the Economic Development Zone rates for a qualified Retail Customer until the designated ten year term expires, or until the Retail Customer's initial certification becomes invalid. The Distribution Provider reserves the right to establish means of periodically verifying the validity of a Retail Customer's certificate.

B. Service Classification No. 4 - General Service - Economic Development

1. Purpose

This Service Classification is designed to attract business relocation or expansion to the Distribution Provider's service territory by offering a discount to a customer's service bill, over a specified period, for new or additional load.

2. Eligibility Criteria

Any of a Distribution Customer's new or existing Retail Customer service points, or a Direct Customer service point, that meets all of the following eligibility requirements shall be eligible to receive service for that service point in accordance with the rates, charges and provisions set forth under this Service Classification No. 4:

a) The Distribution Customer's Retail Customer or Direct Customer service point is eligible to receive service under Service Classification No. 3 - Large General Service (standard pressure), and its use is non-residential in nature, and

(Continued on next leaf)

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