

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

Leaf No. 144
Revision: 0
Superseding Revision:

SCHEDULE B

GAS BALANCING SERVICE (Cont'd)

TYPE OF BALANCING SERVICE (Cont'd)

C) Small-Volume Customer Balancing Service

Small-Volume Customer Balancing Service is a process wherein the Distribution Customer accommodates the difference, on a daily basis, between the actual usage of the Distribution Customer's Small-Volume Retail Customer service points and the net quantity of gas delivered on a scheduled basis by the Distribution Customer to the Distribution Provider's system for such service points, using its No-Notice Storage assets held on the Dominion Transmission Incorporated (DTI) system. This difference may be either positive or negative. It is the Distribution Customer's responsibility to nominate, on a daily basis, those volumes that it expects its Retail Customer service points to consume. This service operates in conjunction with the Delivery Point Operator (DPO) service and the Citygate Swing Customer (CSC) service offered under the Dominion Transmission Incorporated (DTI) rate schedules DPO and CSC, respectively.

Small-Volume Customer Balancing Service consists of the following factors:

1. Delivery Point Operator

The Distribution Provider must apply to, and be accepted by, Dominion Transmission Incorporated (DTI) for service under rate schedule DPO and act as the Delivery Point Operator. The Distribution Provider will be responsible for meeting all requirements of that schedule.

2. Citygate Swing Customer

The Distribution Customer must apply to, and be accepted by, Dominion Transmission Incorporated (DTI) for service under rate schedule CSC. The Distribution Customer will be responsible for meeting all requirements of that schedule. Upon notification by DTI that CSC service to the Distribution Customer has been suspended or terminated, the retail customers of the Distribution Customer shall be immediately transferred to Service Classification No. 1 - General Service of P.S.C. No. 16-Schedule for Gas Service until such time as the Distribution Customer's eligibility for CSC service from DTI is restored. The Distribution Customer will be responsible to pay the Distribution Provider any costs incurred by the Distribution Provider as a result of the distribution Customer's failure to maintain service under DTI's rate schedule CSC.

(Continued on next leaf)

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