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GENERAL INFORMATION

PART II – RULES AND REGULATIONS

4. OPERATIONAL ISSUES (Cont'd)

G. Discontinuance or Curtailment of Gas Service Due to a Short Term Supply Deficiency (Cont'd)

2) Restoration

When the Distribution Provider determines that service can be restored to Retail Customers, it will implement restoration procedures and will notify the public of restoration status. Restoration information and efforts will be as described in Rule 4.(G)(1)(x). Compensation will be charged or credited through the settlement process mechanism described in Rule 4.(G)(3). The Distribution Provider will determine the amounts of gas that was diverted, from which Distribution Customer's load it was diverted, and to which Distribution Customer's load it was diverted. Such determination shall be considered final and binding on all parties. The Distribution Provider will charge and/or credit each Distribution Customer as appropriate, at the replacement cost of gas, which shall be deemed for these purposes to be the average of the Niagara midpoint index price plus variable transportation charges to the Mendon citygate and the Dominion Transmission Incorporated Appalachia South Point midpoint index price plus variable transportation charges to the Caledonia citygate. The normal settlement methodology will not be used in cases where a Distribution Customer's load was reduced at the request of, or due to the action of, the Distribution Provider.

3) Penalties

Any Distribution Customer which fails to implement its curtailment procedure, comply with the Distribution Provider's curtailment instructions, or whose Retail Customers fail to comply, may be charged a penalty of \$2.50 per therm of unauthorized use.

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