PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: June 1, 2003 Effective: Leaf No. 107 Revision: 0 Superseding Revision:

GENERAL INFORMATION

5. DISCONTINUANCE OF SERVICE (Cont'd)

I. <u>INVOLUNTARY DISCONTINUANCE OF SERVICE TO THE MARKETER OR DIRECT</u> <u>CUSTOMER (Cont'd)</u>

- (f) Where the New York State PSC has determined that the Marketer is not eligible to sell natural gas to Customers in the state, for reasons including:
 - (i) The Marketer's failure to adhere to the policies and procedures described in its disclosure to Customers;
 - (ii) Failure to comply with prescribed consumer protections;
 - (iii) An unacceptably high volume of Customer complaints;
 - (iv) Failure to comply with prescribed reporting requirements;
 - (v) Failure to comply with oversight requirements;
 - (vi) Failure to apprise the New York State PSC of all material changes in the information in the applicant's initial filing;
 - (vii) Failure to comply with the voluntary discontinuance requirements set forth in this tariff; or
 - (viii) Failure to comply with other applicable requirements of the New York State PSC, including those in Opinion No. 97-5; Opinion and Order Establishing Regulatory Policies for the Provision of Retail Energy Services, issued May 19, 1997, in Case 94-E-0952; and, in the Order Clarifying Consumer Protections, issued October 25, 1996, in Cases 93-G-0932, et.al.
- (g) Where the Marketer or Direct Customer fails to pay a bill for delivery service or an imbalance charge when due, does not pay the bill within ten (10) calendar days after being notified of the nonreceipt of payment, and the available security is or will be insufficient to cover the amount of default.
- (2) The Company may initiate the process to discontinue a Marketer or Direct Customer by providing the Marketer or Direct Customer a notice (with a copy to the New York State PSC) that advises the Marketer or Direct Customer that its right to switch additional Customers is suspended immediately. The notice shall also state that unless the stated cause for the discontinuance is corrected within a designated period (ten (10) calendar days) from the Marketer's receipt of the notice, or the New York State PSC, or its designee, requires otherwise, the Marketer's existing Customers will be notified that the Marketer will be discontinued. The discontinuance will take place no longer than fifteen (15) calendar days after the end of the designated period to cure the problems except that in cases of non-payment of invoices, the discontinuance will take place at the end of the designated period. Discontinuance of Direct Customers may be initiated by a similar notice stating that unless the identified cause is corrected within the designated period (ten (10) calendar days), or the New York State PSC, or its designees, requires otherwise, the Direct Customer will no longer be allowed to procure its own energy supplies. The discontinuance process will stop if the Marketer or Direct Customer corrects the problem within the ten (10) calendar day period unless otherwise directed by the PSC. If a more expedited process is deemed necessary, for any discontinuance, the process outlined herein may be followed.
- (3) The Company may suspend or discontinue a Marketer or Direct Customer immediately if an imminent risk exists that compromises the safety or operational reliability of the Company's system. Notices shall be sent to Customers as specified below.

(Continued on next leaf)

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