

PSC No: 20 - Electricity
Rochester Gas and Electric Corporation
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GENERAL INFORMATION

PART II - RULES AND REGULATIONS

2. HOW TO OBTAIN SERVICE (Cont'd)

A. QUALIFICATION AND APPLICATION (Cont'd)

(8) **Calling on Security**

The Distribution Provider may call upon the security posted by a Distribution Customer or Direct Customer after providing five (5) calendar days' notice to the Distribution Customer or Direct Customer whenever the Distribution Customer or Direct Customer fails to pay the Distribution Provider on a timely basis, unless the Distribution Customer or Direct Customer makes a payment in full within the five (5) calendar day notice period.

The Distribution Provider may call upon the security posted by a Distribution Customer or Direct Customer without prior notice if the Distribution Customer or Direct Customer files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Distribution Customer or Direct Customer) or if for any reason a Distribution Customer ceases to provide service to its Retail Customers under the Distribution Provider's retail access program.

(9) **Annual Review**

Qualified Distribution Customers will be subject to an annual creditworthiness review by the Distribution Provider to ensure that the Distribution Provider's financial exposure to a given Distribution Customer is assessed on a regular basis and remains an acceptable risk to the Distribution Provider. This review process may result in a change in the level of security required for qualification.

(10) **Reciprocity**

In the event that the Distribution Provider is requested to provide service under this Tariff to an electric utility or to an affiliate thereof, and if an affiliate of the Distribution Provider would be denied comparable service and competitive access, on terms and conditions similar to those provided herein, in the franchise territory of such electric utility, the Distribution Provider shall have the right to petition the PSC for an order permitting the Distribution Provider to refuse service hereunder to such electric utility or to its affiliate, unless and until such electric utility provides comparable service and competitive access to an affiliate of the Distribution Provider. The filing of such petition by the Distribution Provider shall operate automatically to stay consideration of the eligibility of the electric utility or its affiliate for service hereunder, until the matter is decided by an order of the PSC in response to such petition.

(Continued on next leaf)

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