PSC No: 20 - Electricity Rochester Gas and Electric Corporation Initial Effective Date: June 1, 2003 Leaf No. 20 Revision: 0 Superseding Revision:

GENERAL INFORMATION

PART II - RULES AND REGULATIONS

2. HOW TO OBTAIN SERVICE (Cont'd)

A. QUALIFICATION AND APPLICATION (Cont'd)

(2) FERC Open Access Transmission Tariff This Distribution Tariff operates in conjunction with the NYISO's Transmission Tariffs. Distribution Customers seeking service under this Distribution Tariff must also apply for, be approved for and purchase Transmission Service through the NYISO's Transmission Tariffs as a prerequisite to obtaining service under this Tariff.

(3) Eligibility For Qualification of Distribution Customers

To be eligible for qualification with the Distribution Provider, a Distribution Customer must

- (a) Register with and be determined eligible by the PSC's Consumer Services Division as a supplier of electric power service to Retail Customers as specified in Rule 2.A.(1); (The foregoing requirements shall not apply to a Retail Customer seeking qualification to act as a Distribution Customer to procure electricity solely for its own use.)
- (b) Meet creditworthiness standards and comply with all operating standards of the Distribution Provider as described in this Tariff, the Distribution Operating Agreement and the Distribution Customer Manual;
- (c) Comply with applicable regulations and procedures of the PSC, FERC, NYSRC, NPCC, NERC, and the NYISO, governing the purchase, sale, and distribution of electric power and ancillary services;
- (d) Accept and pay all charges associated with distribution service under this Tariff; and
- (e) Accept and pay all charges associated with transmission service under the NYISO's Transmission Tariffs.

(4) Application Process

Subsequent to determination of eligibility by the Department of Public Service, the Distribution Customer must request qualification with the Distribution Provider by submitting a Distribution Customer Application and by executing a Distribution Operating Agreement with the Distribution Provider. The application process is detailed in the Distribution Operating Agreement.

(Continued on next leaf)

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