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PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: January 1, 2005

Leaf No. 85

Revision: 1

Superseding Revision: 0

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.4 EMPIRE ZONE RATES

PURPOSE:

This service is provided in cooperation with the New York State Department of Economic Development, New York State Department of Labor, the New York State Public Service Commission, and the local Empire Zone certification board, pursuant to Article 18-B of the General Municipal Law, to assist in the revitalization of economically distressed geographic areas throughout the Company's service territory.

ELIGIBILITY CRITERIA:

- 1) A Prospective or Existing Customer who has been certified by the Local Empire Zone Administrator and has provided the Company with documentation of such certification.
- 2) A Prospective Customer is defined as an applicant
 - i. Whose activities are largely or entirely different in nature from those of the previous customer; or
 - ii. Whose activities are the same as those of a previous customer but who is a different owner of the business, or
 - iii. That will conduct business at a premise where business has not been conducted for at least six months prior to the application for EZR benefits; or
 - iv. That has obtained a business in a bankruptcy liquidation sale from the previous customer
 - v. Who qualifies for service under and in accordance with the provisions of Service Classification Nos. 3, 7, 8 and 9.
- 3) Prospective Customer Any applicant that, (i) satisfies the definition of a Prospective Customer above; and (ii) satisfies the usage thresholds for additional qualifying equipment set forth below, will be deemed an eligible Prospective Customer and receive the EZR incentive, as appropriate, on the entire billed usage in the qualified block(s).
 - Existing Customer Any current customer that (i) satisfies the usage thresholds for additional qualifying equipment set forth below and (ii) does not satisfy the definition of a Prospective Customer above, will be deemed an eligible Existing Customer, entitled to receive an EZR incentive on increased usage in the qualified block(s) above a historic monthly base load of usage established before the addition of qualifying equipment.
- 4) The eligible Prospective Customer or Existing Customer who permanently increases their demand or annual energy usage by twenty-five percent shall be eligible to receive the rates hereunder.

TERM.

A qualified customer will be eligible to receive the Empire Zone Rate rates for no more than ten years from the initial date of New York State eligibility, as stated on their zone certificate, or until a customer's initial certification becomes invalid. The Company reserves the right to establish a means of periodically verifying the validity of a customer's certificate.

CHARACTER OF SERVICE

Continuous, Alternating Current - 60 cycle, voltage and phase at the Company's option, as available and appropriate for the customer's requirement.

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