

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: February 19, 2004
Issued in compliance with orders in Case 98-M-1343 dated Nov. 21, 2003 and Cases 99-M-0631 and 03-M-0117 dated Dec. 19, 2003

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SERVICE CLASSIFICATION NO. 7**FIRM GAS TRANSPORTATION SERVICE FOR DISTRIBUTED GENERATION FACILITIES < 50 MW**
(Cont'd)**5. Term:**

The term of this service classification shall be one (1) year with one-year renewals thereafter. Renewals will only be provided if the Customer maintains at least a 50% load factor unless there are mitigating circumstances as determined by the Company. The Company shall review the customer usage annually beginning with the anniversary of the commercial operation of the retail customer's DG unit and advise the Customer if the load factor falls below 50%. If the load factor falls below 50%, the customer will be removed from this rate for a period of 12 months at which time they may reapply, provided they have satisfied the Company that the 50% load factor will be met.

6. Additional Provisions:

- A. Separate service lines for DG usage and non-DG usage shall not be required. However, if existing facilities are inadequate to deliver the additional supplies, the customer shall be responsible for all incremental costs incurred by the Company. DG customers shall pay for system reinforcements pursuant to Rochester Gas and Electric's existing rules set forth in General Information Rule 3.
- B. DG customers with annual usage greater than or equal to 35,000 therms, are required to pay for daily metering equipment.
- C. DG rates shall apply only to DG usage. Non-DG gas use shall be measured and billed separately from this service classification.
- D. The quantity to be billed under this service classification is the quantity delivered to the Company less the allowance for losses in accordance with General Information 10. of this Schedule.
- E. Daily imbalances, underruns and overruns under this service classification will be calculated and reconciled as set forth in General Information 10 of this Schedule.
- F. Where multiple units are installed at one location, the total size of all units metered through one meter shall govern the rates that will apply.
- G. Rates established herein are ceilings which are fixed for at least three years.

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