

PSC No: 20 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: February 1, 2004
In compliance with order in Case 02-E-0551, Establishing Electric Standby Rates, Issued and Effective July 29, 2003

Leaf No. 177.6
Revision: 0
Superseding Revision:

SCHEDULE A SERVICE POINT DISTRIBUTION SERVICE (Cont'd)

8. INCREASE IN RATES AND CHARGES : The rates and charges under this Service Classification, including any adjustments and minimum charge, are increased by the applicable effective percentage shown in Rule 5.E of this Schedule for service supplied within the municipality where the Retail Customer is taking service.

9. TERMS OF PAYMENT: Bills will be rendered under this Service Classification in accordance with Rule 5, Billing and Payment, of this Schedule. A late payment charge of one and one half percent (1 1/2%) per month will be billed on all amounts not paid by the "past due" date

10. TERM: A minimum of one year and thereafter until terminated by 90 days written notice.

11. DETERMINATION OF DEMAND:

A. Contract Demand:

A Retail Customer will have the option of accepting a Contract Demand established by RG&E or of establishing its own Contract Demand in accordance with this tariff. Without regard to which party sets the Retail Customer's Contract Demand, upon the occurrence of an exceedence, the Contract Demand will be ratcheted up by the amount of the exceedence.

1. Company Set Contract Demand

The Company set Contract Demand for an Existing Retail Customer will be based on the peak demand of that Retail Customer over the twelve (12) months prior to the effective date that the Retail Customer takes service under these Standby Service rates, taking into consideration the contribution of additional and/or existing OSG, the addition and/or removal of equipment, and the coincidence and diversity of the Retail Customer's load. In cases where historical billing demand does not represent a reasonable Contract Demand level, the Company will confer with the Retail Customer to set an appropriate Contract Demand. Where RG&E establishes a Contract Demand for a new Retail Customer, the Contract Demand will be determined, in consultation with the Retail Customer, by assessing the nameplate rating of the equipment to be served, and projecting, through an engineering analysis, the coincidence and diversity of the new Retail Customer's load.

Where a Retail Customer elects to have RG&E establish the Contract Demand, that Retail Customer shall not incur a surcharge if that Contract Demand is exceeded except as described in this tariff. A Retail Customer shall be obligated to inform RG&E in writing prior to the installation or removal of equipment, or any change in operation, that can be reasonably expected to change in a material fashion (defined as a change of more than twelve and one-half percent (12.5%)) the capacity required to deliver electricity to the Retail Customer. If the Retail Customer fails to provide such notice, and the Retail Customer exceeds the RG&E-established Contract Demand, RG&E shall have the right to include a surcharge in the Retail Customer's bill equal to the product of the applicable Contract Demand charge, the amount of the exceedence, and the number of billing periods from and including the billing period in which the Retail Customer first commenced taking Standby Service from RG&E at the understated Contract Demand, i.e., the billing period in which the Retail Customer installed the equipment or changed the operation that caused the exceedence (as demonstrated by the Retail Customer to RG&E in writing), to the billing period that includes the date of the exceedence. If the Retail Customer fails to demonstrate in writing when it installed such equipment or changed such operation, then RG&E shall apply the surcharge from the first billing period in which the Retail Customer commenced taking Standby Service from RG&E.

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