

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: March 1, 2004
Issued under the authority of the PSC in Case Nos. 02-E-0198 and 02-G-0199, issued and effective March 7, 2003

Leaf No. 133.7
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 5

GAS SERVICE-POINT TRANSPORTATION SERVICE – S.C. NO. 5 (Cont'd):

5. Small General Service Transportation Rate Adjustment Statement

Not less than three days prior to the first day of each billing period, the Company shall file with the Public Service Commission a Statement showing the Service Classification No. 5 charges listed in items i) through v) of Section 4, above. The Statement will also list the charges per therm for Small Volume Customer Balancing Service, the Company's Weighted Average Costs of Storage (WACOS₁, WACOS₂, WACOS₃, and WACOS₄), and Weighted Average Cost of Stored Gas (WACOSG). Such charges as are applicable may be combined for billing purposes.

6. Retailing Backout Credit

The Company shall provide to each ESCO taking service under this service classification a Backout Credit in the amount of \$3.75 per customer per month for each Service Classification No. 5 customer, except as provided for in the "Market Concentration" section, below. The total Backout Credit for the Supplier shall be calculated on the first day of each month based upon the total number of Service Classification No. 5 customers currently enrolled with the Supplier as of that date.

7. Market Concentration

In the event that more than 50 percent of the total number of Customers eligible to be served by ESCOs under this Service Classification No. 5 are being served under that service classification, and any individual ESCO taking service under this service classification achieves a market penetration level equal to or greater than:

- i) 50 percent of the Customers being served by ESCOs under this Service Classification No. 5; or
- ii) 50 percent of the load that is being served by ESCOs under this Service Classification No. 5,

then such ESCO shall not be eligible to receive the Backout Credit described Section 6, "Retailing Backout Credit", above, for any Customers enrolled by such ESCO under this Service Classification No. 5 subsequent to the point at which such ESCO exceeds the threshold in either i) or ii), above.

8. Retail Access Capacity Program

a) General

ESCOs serving Customers under this service Classification will be required to participate in the Retail Access Capacity Program, as defined in this Section 8, whereby transportation capacity from liquid trading points - Dawn and Southpoint (i.e. all receipt points on the Dominion Transmission Incorporated (DTI) system south of DTI's Valley Production Compressor Station) - to the Company's city gates at Mendon and Caledonia, respectively, and storage capacity, will be released to ESCOs serving Customers under this service Classification.

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