

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
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GENERAL INFORMATION

10. GENERAL RETAIL ACCESS - MULTI-RETAILER MODEL (Cont'd)

An OFO will be issued on a system-wide basis. An ESCO who has elected to take daily balancing service from the Company in accordance with Rule 10.J will incur those daily settlement charges described in Rule 10.J. The ESCO will also be responsible for the pro-rata share of any upstream pipeline penalty charges incurred by the Company resulting from ESCO activities. As stated in Rule 10.D.10(c), an ESCO may lose its right to serve Customers as a result of non-compliance.

(g) Discontinuance or Curtailment of Gas Service Due to a Short Term Supply Deficiency:

In the event of a short-term loss of supply due to force majeure circumstances including but not limited to major physical facility upstream failures beyond the control of the Company or the ESCOs (e.g. pipeline ruptures, widespread well freeze-offs, etc.), the Company will coordinate with the ESCOs to implement the Company's short-term curtailment process (as specified in Rule 10.D.9(g)(1), below) in conjunction with the curtailment plans submitted by the ESCOs in accordance with Rule 10.C.2(d). The Company will endeavor to implement all curtailment plans in a non-discriminatory manner, without regard to which ESCO (or the Company) provides gas service to those Customers which may be curtailed. Notwithstanding the above, the Company will take any and all actions which, in its sole judgement, are required to maintain system integrity. For the purpose of this Rule 10.D.9; the term "commercial customers" shall include governmental and public authority customers; the term "core customers" is defined to include customers that lack alternatives (they take either (a) firm sales service, and lack installed equipment capable of burning fuels other than gas; or (b) firm transportation service, and; a nonresidential customer is a person, corporation or other entity receiving service who is not a residential customer as defined in 16 NYCRR 11.

1) Curtailment Process

In the event of short-term interruption or force majeure curtailment situations, the needs of core customers will be met first, regardless of whether they are Customers of the Company or of an ESCO. Compensation for gas supplies that are interrupted in order to meet core customer needs will be provided. As part of the implementation of this curtailment process, the Company's Gas Emergency Plan will be put into effect. In the event of an emergency, the Company may deviate from this Rule 10.D.9 on a short-term basis to the extent operational circumstances make it appropriate to do so. The Company will exercise sound operational discretion, using this process as a general guideline.

In the event the Company is unable to satisfy the full requirements of its customers and finds it necessary to curtail existing service due to a deficiency in its gas supply, the Company will curtail service generally following these procedures but will adapt the response to conditions that exist at the time of the curtailment:

- (i) Reduce Company-use gas to the extent possible by:
 - (a) Reducing usage of natural gas for electric generation;
 - (b) Reducing the heating load at Company facilities.
- (ii) Contact dual-fuel customers and instruct them to switch to an alternate fuel. These customers will be asked to maintain their incoming gas supplies which will be redirected to supply core customers.

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