PSC No: 16 - Gas   Leaf No. 127.38
Rochester Gas and Electric Corporation   Revision: 8
Initial Effective Date: September 1, 2017   Superseding Revision: 6

GENERAL INFORMATION

10. GENERAL RETAIL ACCESS (Cont'd)

G.   **Gas Balancing Service (Cont'd)**

(2) S.C. No. 3, S.C. No. 7, and S.C. No. 16 (annual use greater than or equal to 35,000 therms) CSC Enhanced Daily Balancing Service

S.C. No. 3, S.C. No. 7, and S.C. No. 16 CSC Enhanced Daily Balancing Service is a process wherein the ESCO accommodates the difference, on a daily basis, between the actual usage of the ESCO's S.C. No. 3, S.C. No. 7, or S.C. No. 16 Customer service points and the net quantity of gas delivered on a scheduled basis by the ESCO to the Company's system for such service points, using its No-Notice Storage assets held on the Dominion Transmission Incorporated (DTI) system. This difference may be either positive or negative. It is the ESCO's responsibility to nominate, on a daily basis, those volumes that it expects its Customer service points to consume, utilizing the daily meter read data for those service points, provided by the Company and to accurately nominate their gas to ensure that their deliveries and actual pool usage shall be within the Company's system constraints. This service operates in conjunction with the Delivery Point Operator (DPO) service and the Citygate Swing Customer (CSC) service offered under the Dominion Transmission Incorporated (DTI) rate schedules DPO and CSC, respectively.

On a daily basis, the Company calculates a CSC measurement for each ESCO, as follows:

C=P-E, where
C= CSC measurement in Dt,
P= ESCO's actual pool usage in Dt, and
E= ESCO's Empire Pipeline nomination in Dt

In the event that an ESCO's CSC Measurement is negative (i.e., ESCO delivers more gas on the Empire System than their actual pool usage), all gas associated with the negative CSC measurement shall be cashed out at the lesser of A or B below:

A.   Cash out $= [NC*(DO_{L+} TC_{VF+}E_{VF})]-[DTI_O* NC]$ where
       NC= negative CSC measurement in Dt,
       DO_L= Dawn, Ontario absolute low index price per Dt,
       TC_{VF} = TransCanada Pipeline variable and fuel charges per Dt,
       E_{VF} = Empire Pipeline variable and fuel charges per Dt, and
       DTI_O = prevailing DTI tariff rate per Dt allowable over injection charge if the Company incurs a
              penalty from DTI for over injection into its storage account

B.   Cash out $ = [NC*(DTI_s + DTI_{vf})] -[DTI_O* NC]$, where
       NC= negative CSC measurement in Dt,
       DTI_L= DTI South point absolute low index price per Dt,
       DTI_{VF} = DTI Pipeline variable and fuel charges per Dt, and
       DTI_O = prevailing DTI tariff rate per Dt allowable over injection charge if the Company incurs a
              penalty from DTI for over injection into its storage account

ISSUED BY: Joseph J. Syta, Vice President, Controller and Tresurer, Rochester, New York