PSC No: 16 - Gas Leaf No. 133.9
Rochester Gas and Electric Corporation Revision: 7
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Issued in compliance with Order in Case 15-G-0439 issued and effective October 19, 2015

SERVICE CLASSIFICATION NO. 5

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

f) Release of Empire Capacity
Release of capacity on Empire shall be carried out pursuant to the terms and conditions of Empire's Tariff on file with the Commission, as such Tariff may be amended from time to time, and the terms and conditions of any separate agreement between the Company and Empire pertaining to this subject. In the event of any conflict between the terms and conditions of Empire's Tariff and any separate agreement, the terms and conditions of the latter shall control. Release of capacity on TCPL shall be carried out by the Company consistent with the terms and conditions of the Company's agreements with TCPL.

g) Release of DTI Capacity
Release of capacity on DTI shall be carried out in a manner consistent with FERC requirements pertaining to capacity release.

h) Rates for Released Capacity
The rates to be paid by an ESCO taking released capacity shall be the Company's maximum contract rates pursuant to the tariffs and/or agreements applicable to the released capacity.

i) Transfer of Storage Gas and Capacity to the ESCO
One-Time Exception:
On November 1, 2015, the Company shall transfer to the ESCO a quantity of gas on Empire equivalent to a pro-rata share of gas that the Company has acquired to provide service to the migrated Customers. The quantity of gas transferred shall be the storage capacity to be released multiplied by a percentage (published in Company’s GTOP) representing the planned degree to which the Company's storage will be filled at the beginning of the month during which the release is made. The infield storage transfer will include commodity and demand costs associated with the Company holding and filling the Empire storage. The commodity costs will be priced at WACOSG2. The demand charges to the ESCOs will be their MDSQ (Maximum Daily Storage Quantity) times the WACOS3 for each month from April – October 2015.

<u>On an ongoing basis the following will be applicable:</u>

Where storage assets are released to an ESCO in conjunction with this Retail Access Capacity Program after the commencement of the storage injection season (April 1 of each year), the Company shall transfer to the ESCO a quantity of DTI gas equivalent to a pro-rata share of gas that the Company has acquired to provide service to the migrated Customers. The quantity of gas transferred shall be the storage capacity to be released multiplied by a percentage (published in Company’s GTOP) representing the planned degree to which the Company's storage shall be filled at the beginning of the month during which the release is made. As detailed below, there shall be an ESCO Charge and an ESCO Credit associated with transfers of gas in storage to the ESCO.

<u>ESCO Charge:</u>

The ESCO shall pay the Company: 1) the weighted average commodity cost of gas in DTI storage ($WACOSG_1$) multiplied by the quantity of gas transferred; plus 2) a contribution to storage capacity costs calculated as shown below.

The weighted average cost of commodity shall be billed for each transfer of DTI storage.

The contribution to storage capacity shall be calculated differently for DTI side and Empire side capacity as indicated below. The calculations for the DTI side and Empire side shall be added together to derive a total cost.

<u>Applicable to DTI pipeline for the months May – March</u>
DTI side = $(rscapdti * wacos_1 * months_{APR}) + (rscapdti * months_{NOV} * (ftnngss\$/cgdeliv_{DTI}))$

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