

PSC No: 16 - Gas  
 Rochester Gas and Electric Corporation  
 Initial Effective Date: August 12 1, 2016  
 Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016.

Leaf No. 130.7  
 Revision: 15  
 Superseding Revision: 14

### SERVICE CLASSIFICATION NO. 3

#### GAS SERVICE-POINT TRANSPORTATION SERVICE – S.C. NO. 3 (Cont'd):

**7. Transportation Rate Adjustment:**

The transportation rates set forth in this Service Classification shall be subject to a transportation rate adjustment per therm of gas distributed. The total Transportation Rate Adjustment for this service classification shall include the following components:

- i) Interdepartmental Sales Credit, and
- ii) Transition Cost Surcharge, and
- iii) Research and Development Surcharge, and
- iv) Heater Charge.

**8. Large 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. 3 charges listed in items i) through iv) of Section 7, above. The Statement shall also list the charges per therm for Daily Balancing Service, and CSC Enhanced Daily Balancing Service. Such charges may be combined for billing purposes.

**9. Weather Normalization Adjustment (WNA):**

All space-heating customers shall also be charged the applicable WNA pursuant to General Information Section 11 of this tariff.

**10. System Benefits Charge (SBC):**

The customer shall be subject to the SBC, as explained in Rule 12. The SBC is provided in the SBC Statement, as filed with the Public Service Commission.

**11. Surcharge to Collect Temporary State Assessment Surcharge (TSAS):**

All customers shall be charged the Temporary State Assessment per Therm of gas delivered as explained in General Information Section 13 of P.S.C. No. 16 – Gas, or superseding issues thereof.

**12. Revenue Decoupling Mechanism ("RDM"):**

All customers taking service under this Service Classification shall be subject to a RDM Adjustment (as explained in this Schedule, General Information Section 14). See RDM Statement.

**13. Rate Adjustment Mechanism ("RAM"):**

The RAM shall be applied per therm to all therms delivered under this Service Classification (as explained in P.S.C. No. 16, General Information Section 15). See RAM Statement.

**14. Capacity to Be Released- Applicable only to S.C. No. 3 Customers receiving a mandatory release of Company capacity as determined under Section 10.G. of the General Retail Access – Multi-Retailer Model**

The Company shall provide the mandatory amount of capacity released between Dawn and Mendon shall include transportation capacity on TransCanada PipeLine Limited (TCPL), Empire State Pipeline Transportation (Empire Transportation), and Empire State Pipeline Storage (Empire Storage) to meet the demands of a customer's peak day.

To accommodate for the difference in released assets between Empire and TCPL, the ESCO must demonstrate it has non-recallable primary point capacity from the Dawn Hub to the citygate for its customers, or a firm supply contract with a reliable counterparty for delivery to Empire at Chippawa or a point downstream of Chippawa.

TCPL, Empire State Pipeline Transportation (Empire Transportation) Empire State Pipeline Storage (Empire Storage), assets shall be termed "Empire Capacity".

Capacity to be released between Southpoint and Caledonia shall include transportation and storage capacity on DTI. These assets shall be termed "DTI Capacity".

The total capacity available for release may be sufficient to meet the design day load of all Customers eligible for service under this service classification, as determined from time to time by the Company, as well as to meet the operational design requirements of the Company's distribution system. References to "release" of capacity are intended to include all transfers to ESCOs of rights and obligations pertaining to capacity held by the Company unless the context requires otherwise.

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