Received: 07/01/2016 Status: CANCELLED Effective Date: 07/01/2016

PSC No: 16 - Gas

Rechester Gas and Electric Corporation

Initial Effective Date: July 1, 2016

Leaf No. 127.35.1

Revision: 3

Superseding Revision: 1

Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016

10. GENERAL RETAIL ACCESS (Cont'd)

6. Balancing Charge

The ESCO shall be charged a balancing charge for each therm of gas delivered to the service points in its Balance Control Account. The balancing charge shall consist of a charge to cover the Company's costs for FTNNGSS deliverability, GSS deliverability, GSS capacity, FTNN capacity, and administrative costs. The balancing charge shall be calculated each month as follows:

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