

Effective Date: 07/21/2016

PSC No: 16 - Gas
 Rochester Gas and Electric Corporation
 Initial Effective Date: June 19, 2015

Leaf No. 83
 Revision: 4
 Superseding Revision: 3

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

K.2 ECONOMIC DEVELOPMENT ZONE RIDER (Cont'd)

OTHER

A qualified customer shall pay a monthly service bill at the rates and charges under this rider for all therms in excess a base amount established for each monthly billing period. For an existing customer, the base amount of therms shall be determined by the Company using an annual historical period. For a prospective customer, the base amount therms shall be zero.

The rates and charges under this rider, which reflect the Company's incremental cost of providing service, shall be subject to periodic review and revision, subject to Public Service Commission approval. If it is determined that the bill calculated under this rider exceeds the bill calculated under the otherwise applicable standard Service classification rates, the customer shall pay the lower of the two bills.

Qualified customers shall be eligible to receive the Empire Zone rates until the designated ten year term expires, or until a customer's initial certification becomes invalid. The Company reserves the right to establish means of periodically verifying the validity of a customer's certificate.

K.3 EMPIRE ZONE RATE (EZR)

PURPOSE:

This service is provided in cooperation with the New York State Department of Economic Development, New York State Department of Labor, the New York State Public Service Commission, and the local Empire zone certification board, pursuant to Article 18-B of the General Municipal Law, to assist in the revitalization of economically distressed geographic areas throughout the Company's service territory.

- 1) A Prospective Empire Zone Rate (EZR) Customer is defined as an applicant
 - i. Whose activities are largely or entirely different in nature from those of the previous customer; or
 - ii. Whose activities are the same as those of a previous customer but who is a different owner of the business; or
 - iii. That shall conduct business at a premise where business has not been conducted for at least six months prior to the application for EZR benefits; or
 - iv. That has obtained a business in a bankruptcy liquidation sale from the previous customer; and
 - v. Who qualifies for service under and in accordance with the provisions of Service Classification No. 3 - Large Transportation Service.

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