

GENERAL INFORMATION

PART II RULES AND REGULATIONS

1. DEFINITIONS AND ABBREVIATIONS

As used herein, the following terms shall have the meanings set forth below. Additionally, other terms used within this Schedule are defined in the Uniform Business Practices ("UBP") Addendum to this schedule.

Adjusted Gas Revenue: The revenue realized from the applicable service classification rates and charges, minus the revenue taxes, the minimum, charge and the cost of gas.

Aggregation: Receiving, validating and summing forecasts for ESCOs.

Amount of Gas Available for Consumption: The amount of gas delivered to the RG&E city gate less system losses.

Applicant: A residential applicant is a person who requests service at a dwelling for his or her own residential use or the residential use by another person. For purposes of the Home Energy Fair Practices Act - HEFPA, a residential applicant is any person who requests service at a premises to be used as his or her residence or the residence of another person on whose behalf the person is requesting service, as defined in 16 NYCRR 11.2(a)(3).

A nonresidential applicant is a person, corporation or other entity requesting service from the company who is not a residential applicant as defined in 16 NYCRR 11.

Arrears: Charges for service for which payment has not been made more than 20 calendar days after payment was due.

Balance Control Account: The account containing all of a Balance Control Owner's service points which are being balanced under the same balancing option.

Balance Control Owner: An ESCO or DC who subscribes to an agreement indicating it is responsible for all charges, both debits and credits, that are assessed as a result of daily imbalances or any other services as set forth in RG&E's tariff.

Balancing: Matching the amount of gas delivered to the Company's system with the actual load on the system to maintain system integrity.

British Thermal Unit: The amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at 60 degrees Fahrenheit.

Business Days: Any Monday through Friday when the Company's business offices are open.

Capacity: The physical capability to store or transport natural gas, usually measured in therms.

Cashout: The process of monetary settlement of gas supply imbalances.

Citygate: The interconnection point between the facilities of an interstate pipeline and the local facilities through which the Company receives deliveries from that pipeline.

Capacity: The physical capability to store or transport natural gas, usually measured in therms.

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Combination Account: A common account for both gas and electric service for the purpose of combined gas and electric billing by the Company. A Combination Account is served under P.S.C. No. 19 - Electricity and under this Schedule.

Commission or PSC: Public Service Commission of the State of New York, or any successor agency thereto.

Commodity Cost of Gas: The cost of Company gas delivered to the citygate. The cost is generally comprised of wellhead costs, storage withdrawal costs, plus variable costs.

Company: Rochester Gas and Electric Corporation

Control Area: The Gas Control Area is the Company's gas service territory.

Costs and Expenses: An estimate based on (a) the average hourly labor rates including a percentage for employee welfare costs, supervision, engineering, and administrative and general expenses, plus (b) the hourly rates for transportation and special equipment, plus (c) the Company's material costs including stores expense.

Curtailement: The reduction of gas deliveries to Customers or Direct Customers initiated by the Company to maintain the integrity of the Company's distribution system and/or when there is a shortage of supply or a lack of capacity on an Upstream Pipeline.

Customer: A residential customer is a person who is receiving service at a dwelling for his or her own residential use or the residential use by another person. For purposes of the Home Energy Fair Practices Act - HEFPA, a residential customer includes any person who is supplied service at a premises used in whole or in part as his or her residence, as defined in 16 NYCRR 11.2(a)(2).

A nonresidential customer is a person, corporation or other entity receiving service who is not a residential customer as defined in 16 NYCRR 11.

Customer's Premises: Contiguous properties under his control through ownership or lease.

Dekatherm: 10 Therms.

Deliveries: Gas delivered to a Distribution Point of Receipt.

Department of Public Service ("DPS"): New York State Department of Public Service.

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Direct Customer (“DC”): A customer that purchases and schedules delivery of natural gas for its own consumption and not for resale. Direct Customers do not have to file an application with the Department of Public Service to become eligible as an ESCO, but must have executed an Operating Agreement with the Company, and must comply with all applicable provisions of this tariff and the Gas Transportation Operating Procedures Manual. A Direct Customer may aggregate and schedule load for itself and other Direct Customers, each of which would continue to be responsible individually for meeting requirements placed on Direct Customers. A Direct Customer will be a customer with an annual natural gas consumption in excess of 3,500 Dekatherms, that acts on its own behalf in arranging to bring natural gas to RG&E's Citygate.

Distribution Point(s) of Delivery: Point(s) on the Distribution System where the Company delivers gas.

Distribution Point(s) of Receipt: Point(s) at which the Company receives gas on the Transmission and/or Distribution System from other sources.

Distribution System: The facilities owned, controlled or operated by the Company that are used to provide gas Distribution Service under this Tariff.

Emergency Service Call: A request for service to be rendered by the Company involving a condition of gas service or equipment that affects or may affect the safety, health or welfare of an individual, or that may threaten to damage property.

FERC: Federal Energy Regulatory Commission, or any successor agency thereto.

Heating Value: The number of British thermal units produced by the combustion at constant pressure, of the amount of anhydrous gas which would occupy a volume of one cubic foot at a temperature of 60 degrees Fahrenheit and under an absolute pressure of 14.73 pounds per square inch with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air, and when the water formed by combustion is condensed to the liquid state.

High Pressure Main: A main shall be considered high pressure when a governor is required to be installed between a service connection to the main and the customer's meter

Human Needs Customers: A Customer who supplies a critical service for which gas service cannot be interrupted, or a Customer who uses natural gas for heating who cannot accept an interruption in service because such an interruption would constitute a serious threat to human life. Examples of human needs customers include school dormitories, nursing homes, hospitals, correction facilities and residential dwelling units. Also known as “Critical Care.”

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Imbalance: The difference between the amount of gas delivered by a Balance Control Owner for its Balance Control Account, and the actual quantity of gas consumed by the Customer service points in that account during a specified period of time.

Involuntary Switch: A process or situation where a Customer's Marketer is changed from one to another or from one Marketer to the Company's retail service without Customer direct authorization. A Customer's authorization is implied unless the Customer specifically requests otherwise. This would include situations where a Customer returns to the Company's service as a result of a Marketer's failure to deliver. An involuntary switch that is not in accord with the "Discontinuance of Service" provision set forth in the tariff is referred to as "slamming".

Levelized Payment Plan: See Rule 4.D.1 of this schedule entitled "Equal Payment Plan".

Load: The amount of gas consumed. An ESCO's Load is the total volume of gas consumed by the ESCO itself and all of its Customers, if any.

Losses: The loss of gas, resulting from its transportation over the Distribution System, between the Distribution Point(s) of Receipt and the Distribution Point(s) of Delivery.

Main: A pipeline located on a public or private right-of-way generally available or used to transport gas to more than one service line.

Mandatory Release Capacity Customer(s) shall mean a non Daily Metered Aggregation customer or any Daily Metered Critical Care Customer (also known as "Human Needs") without an alternate fuel.

Marketer: As defined in the UBP Addendum to this schedule.

Non-Emergency Services: Services provided by the Company that are not in response to emergency events.

Operating Agreement: The standard form agreement between RG&E and the ESCO or the DC setting forth the duties, responsibilities and obligations of RG&E and the ESCO or the DC, which agreement must be executed and delivered by the ESCO or the DC as a condition to participate in General Retail Access.

Operational Flow Order ("OFO"): An order issued by the Company or a pipeline to protect the operational integrity of its system. A Company-issued OFO may require ESCOs, DCs, and Balance Control Owners to modify their gas deliveries to the Company's system to maintain system integrity.

Opinion No. 97-5: The Commission's Opinion and Order Establishing Regulatory Policies for the Provision of Retail Energy Services, issued and effective May 19, 1997, in Case No. 94-E-0952, as the same may be revised, modified, amended, clarified, supplemented or superseded.

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Point of Supply: The point (or connection) where the Company's gas mains and/or Company-owned Service Lines end and the Customer-owned facilities begin.

POLR: The Provider Of Last Resort as defined in Rule 11.C.8.

Public Service Commission ("PSC"): A state regulatory body with authority over electric, gas, communications, water, and cable utilities in New York State. It is charged by law with ensuring that safe and reliable service is made available at reasonable rates while, at the same time, allowing the utility the opportunity to earn a return on its investment that is sufficient to maintain its credit and enable it to continue raising the capital necessary to provide satisfactory service in the future. The PSC is within the Department of Public Service, one of the twenty major departments in State government.

Public Right-Of-Way: The territorial limits of any street, avenue, road or way (other than a limited access thoroughfare) that is for highway purposes under the jurisdiction of the State of New York or the legislative body of any county, city, town or village and is open to public use.

Qualification: The process by which an ESCO or a DC receives approval to serve Customers under the terms of this Tariff.

Seasons: Summer: May 1 - October 31, inclusive
 Winter: November 1 - April 30, inclusive

Service Line: The piping, including associated metering and pressure reducing appurtenances, that transports gas below grade from a main to the first accessible fitting inside the wall of a Customer's building when the meter is located within the building; if a meter is located outside the building, the service line will be deemed to terminate at the outside of the building foundation wall.

Service Point: The Service Point shall normally be at the connection point between the Company's Service Line and the customer's piping; or, if the Service Line is not owned by the Company, the Service Point is the connection point of the Company's Distribution System to the Customer's Service Line.

Service-Point-Related Charges: Charges for Company services for which the price is calculated based on the number of Service Points or therms of gas consumed.

Supplier: See definition of ESCO in the UBP Addendum to this Schedule.

Surcharge: A charge payable by the Customer to the Company in addition to the charge for gas under applicable service classification.

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Tampered Equipment: Any service related equipment that has been subjected either to unauthorized interference so as to reduce the accuracy or eliminate the measurement of a utility's service, or to unauthorized connection occurring after a utility has physically disconnected service.

Therm: A unit of heating value equivalent to 100,000 Btu. The number of therms in a given volume of gas is determined by multiplying the given number of cubic feet of gas by the average heating value of the gas in Btu per cubic foot and dividing by 100,000.

Trading Partner Agreement: The agreement that governs and applies only to data communications transmitted between RG&E and the ESCO/DC in connection with EDI and Rule 10, General Retail Access – Multi-Retailer Model.

Uniform Business Practices (“UBP”): Those practices set forth in the UBP Addendum, which are incorporated herein by reference.

Upstream Pipeline: A pipeline directly connected to the Company’s Citygate that serves the Company’s system.

Voluntary Switch: A process or situation where a Customer’s Marketer is changed from one Marketer to another or from a Marketer to the Company with the Customer’s direct authorization.

Weighted Average Cost of Capacity: The Company's cost of pipeline capacity upstream of the Company's Citygate.

Weighted Average Cost of Gas: The Company's total cost of gas upstream of the Company's Citygate. The cost is comprised of the commodity cost of gas, all pipeline capacity costs and all storage capacity costs.

16 NYCRR: Title 16 of the Codes, Rules and Regulations of the State of New York. The regulations contained in this Title, issued by the Department of Public Service, govern the practices and operations of public utilities in New York. Numerical suffix denotes section or part.

Abbreviations:

Btu	- British thermal units
cu ft	- cubic foot and cubic feet
Ccf	- one hundred cubic feet
DPS	- Department of Public Service
FERC	- Federal Energy Regulatory Commission
GAAP/FASB	- Generally Accepted Accounting Principles/Financial Accounting Standards Board
Mcf	- one thousand cubic feet
Dt	- ten therms
16 NYCRR	- Title 16 of the Codes, Rules and Regulations of the State of New York. Numerical suffix denotes section or part.