NYSEG RG&E

GTOP Manual

Gas Transportation Operating Procedures Manual

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Section A
Introduction

A. SCOPE/PURPOSE

This manual describes the services, as well as the day-to-day and critical period operating procedures, for the Gas Retail Access Program within the New York State Electric & Gas Corporation (NYSEG) and Rochester Gas and Electric Corporation (RG&E) service territories for all transportation gas customers. It provides an overview of each utility company, describes the business rules for the Gas Retail Access Program within the NYSEG and RG&E service territories, outlines the rights and responsibilities of each gas Energy Service Company (ESCO) and Direct Customer (DC), and addresses communication protocol between NYSEG/RG&E and ESCO/DCs.

ESCO/DCs are strongly encouraged to review the applicable terms, agreements, and services offered. NYSEG and RG&E are ready to assist all ESCO/DCs interested in the Gas Retail Access Program. If questions about the Gas Retail Access Program remain unanswered after reading this manual, relevant tariffs, and the **Uniform Business Practices (UBP) Case 98-M-1343 – In the Matter of Retail Access Business Rules**, then contact your Supplier Relations Lead Analyst or email **supplier_relations@rge.com**.

This manual has been designed for use as a quick reference to simplify, define, and expedite the processes regularly used in the course of business. Forms, agreements, and tariffs are available on the websites **www.nyseg.com** and **www.rge.com**.

Note: Failure to read this manual in no way relieves the ESCO/DC of the responsibility to comply with the policies, terms and requirements stated in it. In the event of discrepancies between this manual and the NYSEG and RG&E tariffs, the tariffs overrule.

B. UNDERSTANDING THE GAS RETAIL ACCESS PROGRAM

The Gas Retail Access Program is a group of gas supply, delivery, and management services offered to NYSEG and RG&E customers who meet specific requirements as described in the applicable tariffs.

Under this program, the ESCO/DC is responsible for arranging pipeline deliveries of gas commodity (supply) into the NYSEG/RG&E's distribution system. Once the gas reaches the distribution system, NYSEG/RG&E transports it on a firm or interruptible basis (according to the provisions of the service class selected) from the supply interconnect (citygate) to the customer's facilities (burnertip).

In the traditional regulated utility model, both delivery service (distribution of electricity or natural gas) and commodity (supply of electricity or natural gas) are provided by the regulated utility and the billing and payment processing are the sole responsibility of the regulated utility. For retail access in New York State, there are two (2) basic models – the "multi-retailer" and the "single retailer" models. The customer may have a business relationship with multiple retail entities instead of one (1) utility company. The multi-retailer model provides different options for billing and payment processing, including "dual billing" (each party bills and processes payments for its own services) or "consolidated billing" (one (1) party may bill and collect payments for the other parties). The billing and payment processing practices are different for each of these models.

NYSEG and RG&E operate under the multi-retailer model, where the end-use customer obtains energy delivery services from the regulated utility and commodity from an ESCO. In this model, billing and payment processing may be provided by each retailer for its own services or by either party on behalf of the other.

C. RETAIL ACCESS REFERENCES AND RESOURCES

- Business Procedures for both ESCOs and electric and natural gas utilities across New York State – **Uniform Business Practices (UBP) Case 98-M-1343 – In the Matter of Retail Access Business Rules**,
- NYSEG:
  - **PSC No. 87 – Gas** – natural gas "sales" rate information for each rate area and service classification.
  - **PSC No. 88 – Gas** – natural gas "transportation" rate information for each rate area and service classification.
  - **PSC No. 90 – Gas** – natural gas rules and regulations. General information on obtaining natural gas service and billing for all gas customers.
  - **Monthly Natural Gas Statements** – natural gas monthly rates published by the utility.
- RG&E:
  - **PSC No. 16 – Gas** – schedule for gas service
  - **Monthly Natural Gas Statements**

D. MANAGING CHANGES

The most recent version of this manual may be found on both the NYSEG and RG&E websites at **www.nyseg.com** and **www.rge.com**. This manual may be viewed, printed, or downloaded from these websites.

- This manual will be revised as necessary. ESCO/DCs should regularly check the NYSEG and RG&E websites for the most current version of this manual. NYSEG and RG&E will provide proposed changes to the ESCO/DCs at least thirty (30) days prior to making a change.

Section B
Overview of Companies

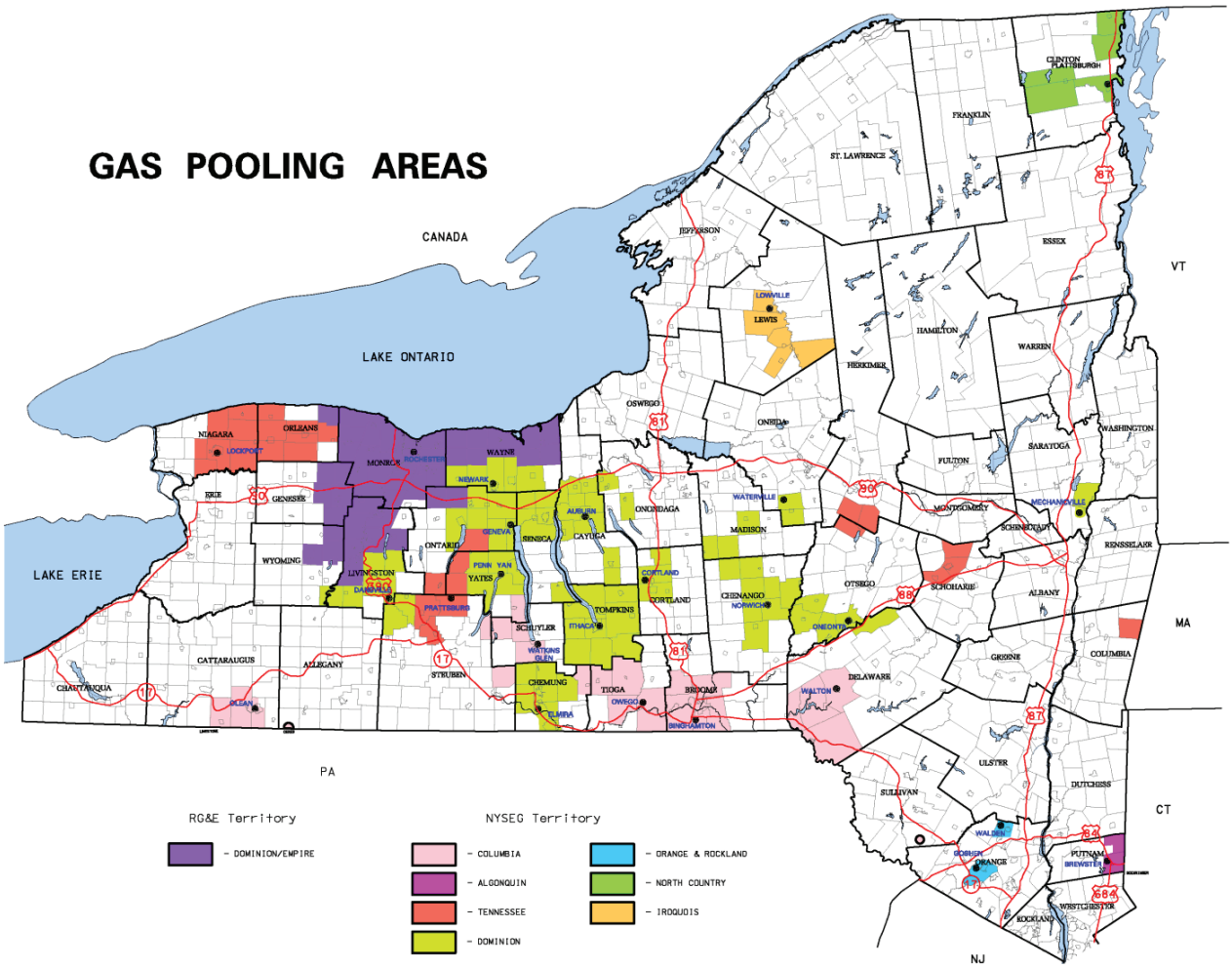
A. INTRODUCTION

NYSEG and RG&E are subsidiaries of Avangrid Networks. Collectively, the Companies serve 570,000 natural gas customers in Upstate New York.

Support and services for ESCO/DCs are handled by NYSEG and RG&E Gas Supply and Supplier Relations areas. Each ESCO/DC is assigned a Supplier Relations Lead Analyst as their primary point of contact. The Supplier Relations Lead Analyst deals with ESCO/DCs on issues such as ESCO/DC qualification, credit limit and security, customer enrollment, discontinuance, historical data, meter read data, and billing. Email inquiries can be sent to **supplier_relations@rge.com**. The Gas Supply Analyst posted on the Gas Tracking System* (*GTS*) website is the contact for natural gas delivery management issues such as changes in nominations, daily imbalances, system forecast, and estimated flow volumes due to significant unanticipated weather changes. Refer to Section E – Communication Protocol for more information.

ESCO/DCs interested in becoming qualified to serve natural gas customers in the NYSEG/RG&E service territory should contact Supplier Relations through the email address listed above.

B. NYSEG and RG&E Service Map



NYSEG

A. OVERVIEW

The NYSEG distribution system provides natural gas service to seven (7) distinct pooling areas within the State of New York. This section provides a map and detail by city for each area. The following is a brief description of the pooling areas:

- **NYSEG – Dominion (DTI) Pooling Area**

  The Dominion Pipeline (DTI) serves the following NYSEG areas: Oneonta, Cortland, Ithaca, Auburn, Elmira, Dansville, Geneva, and Mechanicville. Geneva can also be served, in part, by the Empire Pipeline at the Arcadia interconnect. Mechanicville is served by DTI Pipeline and National Grid at the Niagara Mohawk Power Corp. interconnect. The Elmira area can also be served, in part, by Crestwood Midstream Limited Partners (formerly Inergy) at the Upson Road Interconnect.

- **NYSEG – Columbia (TCO) Pooling Area**

  The Columbia Pipeline (TCO) serves the following NYSEG areas: Beaver Dams, Chambers, Dundee, Olean, Post Creek, Watkins Glen, and Wayne Keuka. The Columbia (TCO) and Millennium Pipeline serve the Binghamton, Deposit/Hancock and Owego areas. The East Line Pipeline, owned by Crestwood Midstream Limited Partners (formerly Inergy), from DTI to TCO, utilizes DTI transportation capacity to serve Westover and Endicott at the Comfort Road Interconnect on DTI.

- **NYSEG – Tennessee (TGP) Pooling Area**

  The Tennessee Pipeline (TGP) and Empire Pipeline (ESP) serve the Lockport area. The Tennessee Pipeline serves the following NYSEG areas: Prattsburg, Rushville, Wallace, Berkshire Farms, Richfield Springs, and Cobleskill.

- **NYSEG – North Country (NCPL) Pooling Area**

  The North Country Pipeline (NCPL) serves NYSEG's Plattsburgh area at the Napierville interconnect with TransCanada Pipeline.

- **NYSEG – Algonquin (AGT) – Orange & Rockland (O&R) Pooling Area**

  The Algonquin Pipeline (AGT) and Orange and Rockland (O&R) LDC serve the NYSEG Goshen area at the Stony Point Interconnect.

- **NYSEG – Algonquin (AGT) Pooling Area**

  The Algonquin Pipeline (AGT) serves the Brewster area at the Southeast interconnect.

- **NYSEG – Iroquois (IGTS) Pooling Area**

  The Iroquois Pipeline (IGTS) serves the Lowville area at the Burdicks Crossing interconnect.

B. NYSEG SERVICE TERRITORY

Binghamton Area	
Allegany County	Town of Genesee and Village of Ceres
Broome County	City of Binghamton; Villages of Deposit, Endicott, Johnson City, and Port Dickinson; and the Towns of Binghamton, Chenango, Colesville, Conklin, Dickinson, Fenton, Kirkwood, Maine, Sanford, Union, Vestal, and Windsor
Cattaraugus County	City of Olean; Villages of Allegany and Limestone; and the Towns of Allegany, Carrollton, and Olean
Chemung County	Towns of Catlin, Horseheads, and Veteran
Delaware County	Villages of Deposit, Hancock and Walton; and the Towns of Deposit, Hancock, Tompkins, and Walton
Schuyler County	Villages of Montour Falls and Watkins Glen; Hamlet of Wayne; and the Towns of Dix, Reading, and Montour; and a portion of the Town of Tyrone
Steuben County	Hamlet of Keuka; Town of Hornby; and a portion of the Town of Wayne
Sullivan County	Towns of Fremont, Delaware, Cochecton, Bethel, and Forestburg
Tioga County	Portion of the Town of Owego
Yates County	Village of Dundee; and Town of Starkey
Owego Area	
Chemung County	Village of Van Etten and Town of Van Etten
Tioga County	Villages of Candor, Owego, and Spencer; and Towns of Candor, Nichols, Owego, Spencer, and Tioga
Goshen Area	
Orange County	Towns of Goshen and Montgomery (northern portion); and the Villages of Goshen and Walden
Lockport Area	
Niagara County	Town of Amherst, City of Lockport; Villages of Barker and Middleport; and Towns of Cambria (eastern portion), Hartland, Lockport, Newfane, Pendleton, Royalton, and Somerset
Orleans County	Villages of Albion, Holley, Lyndonville, and Medina; and Towns of Albion, Barre, Gaines, Murray, Ridgeway, Shelby, and Yates
Elmira Area	
Chemung County	City of Elmira; Villages of Elmira Heights, Horseheads, Millport, and Wellsburg; and Towns of Ashland, Big Flats, Catlin, Elmira, Erin, Horseheads, Southport, and Veteran

NYSEG Service Territory (continued)

Combined Area	
AUBURN DISTRICT:	
Cayuga County	City of Auburn; Villages of Cayuga, Port Byron, Union Springs, and Weedsport; and Towns of Aurelius, Brutus, Fleming, Mentz, Owasco, Sennett, Springport, and Throop
Onondaga County	Villages of Elbridge, Marcellus, and Jordon; and Towns of Camillus, Elbridge, Marcellus, Otisco, and Skaneateles
BREWSTER DISTRICT:	
Putnam County	Village of Brewster; and Towns of Southeast and Patterson
CORTLAND DISTRICT:	
Cortland County	City of Cortland; Villages of Homer and McGraw; and Towns of Cortlandville, Homer, and Preble
DANSVILLE DISTRICT:	
Livingston County	Villages of Dansville and Nunda; and Towns of Conesus, Groveland, North Dansville, Nunda, Portage, Sparta, and West Sparta
Ontario County	Village of Naples; and Town of Naples
Steuben County	Villages of Avoca and Wayland; and Towns of Avoca, Cohocton, Dansville, Prattsburg, and Wayland
Wyoming County	Town of Genesee Falls (eastern portion)
Yates County	Town of Italy
GENEVA DISTRICT:	
Ontario County	Cities of Canandaigua and Geneva; Villages of Clifton Springs, Manchester, Phelps, Rushville, and Shortsville; and Towns of Canandaigua, Geneva, Gorham, Hopewell, Manchester, Phelps, and Seneca
Seneca County	Villages of Seneca Falls and Waterloo; and Towns of Fayette, Junius, Seneca Falls, Romulus, Tyre, Varick, and Waterloo
Wayne County	Villages of Clyde, Lyons, Macedon, Newark, and Palmyra; and Towns of Arcadia, Galen, Lyons, Macedon, and Palmyra
Yates County	Villages of Dresden, Penn Yan, and Rushville; and Towns of Benton, Jerusalem, Middlesex, Milo, Potter, Starkey, and Torrey; and a portion of the Town of Barrington

NYSEG Service Territory (continued)

Combined Area	
ITHACA DISTRICT:	
Cayuga County	Village of Moravia; and Towns of Locke and Moravia
Seneca County	Town of Covert
Tompkins County	City of Ithaca; Villages of Cayuga Heights, Dryden, Freeville, Groton, Lansing, and Trumansburg; and Towns of Caroline, Danby, Dryden, Enfield, Groton, Ithaca, Lansing, Newfield, and Ulysses
MECHANICVILLE DISTRICT:	
Columbia County	Town of Canaan
Saratoga County	City of Mechanicville; and Towns of Halfmoon and Stillwater
ONEONTA AND NORWICH DISTRICTS:	
Chenango County	City of Norwich; Village of Oxford; and Towns of New Berlin, Norwich, North Norwich, Otselic, Oxford, Plymouth, Preston, and Smyrna
Delaware County	Town of Davenport
Herkimer County	Towns of Columbia and Warren
Lewis County	Villages of Lowville, Lyons Falls, and Turin; and Towns of Lowville, Lyonsdale, Martinsburgh, Turin, and West Turin
Madison County	Villages of DeRuyter and Morrisville; and Towns of DeRuyter, Eaton, and Georgetown
Oneida County	Village of Waterville; and Towns of Marshall and Sangerfield
Otsego County	City of Oneonta; and Towns of Butternuts, Morris, Oneonta, Otego, and Richfield; and Village of Richfield Springs
Schoharie County	Village of Cobleskill; and Towns of Carlisle, Cobleskill, and Richmondville
PLATTSBURGH DISTRICT:	
Clinton County	City of Plattsburgh; Village of Dannemora; and Towns of Chazy, Peru, Plattsburgh, Rouses Point, and Saranac
Champlain Area	
Clinton County	Village of Champlain; and Town of Champlain

C. NYSEG DISTRICTS BY CITYGATE, POOLING AREA AND PIPELINE

The following is a list describing only current customers and their receipt points. For new customer hook up information contact your Supplier Relations Lead Analyst.

District	Citygate	Pooling Area	Pipeline(s)
Auburn			
Interstate	Auburn	Dominion	DTI
	Blanchard Road	Dominion	DTI
	East Auburn	Dominion	DTI
	Marcellus/Bishop Hill	Dominion	DTI
Binghamton			
Interstate	Endicott	Columbia	Millennium/TCO
	Kirkwood	Columbia	Millennium/TCO
	Port Dickinson	Columbia	Millennium/TCO
	Union Center	Columbia	Millennium/TCO
	Westover	Columbia	Millennium/TCO
	Willis Road	Columbia	Millennium/TCO
	Comfort Road **	Columbia	DTI
Brewster			
Interstate	Brewster	Algonquin	AGT
Cobleskill			
Interstate	Carlisle	Tennessee	TGP
Dansville			
Interstate	Dansville/Genesee Falls	Dominion	DTI
	Prattsburg	Tennessee	TGP
	Wallace	Tennessee	TGP
Elmira			
Interstate	Big Flats	Dominion	DTI
	Bradley Farms	Dominion	Corning Natural Gas
	Gardner Road (Horseheads)	Dominion	DTI
	Southern Tier	Dominion	Millennium/TCO
	Upson Road	Dominion	Crestwood
Geneva			
Interstate	Dundee	Columbia	TCO
	Hopewell	Dominion	DTI
	Millard	Dominion	DTI
	Phelps	Dominion	DTI
	Rushville	Tennessee	TGP
	Arcadia *	Dominion	ESP

**Arcadia receipt points with an asterisk (*) should only be used when the Packwood Road valve is open.*

***Receipt for DAV only pools to Comfort Road via DTI (Crestwood East Pipeline) must be based on the following percentages: 30% winter, 20% summer and 25% spring/fall. These percentages are subject to change.*

NYSEG Districts by Citygate, Pooling Area and Pipeline (continued)

District	Citygate	Pooling Area	Pipeline(s)
Goshen/Walden			
Interstate	Goshen	Algonquin-O&R	AGT-O&R
	Denton Hill	Algonquin-O&R	AGT-O&R
Ithaca/Cortland			
Interstate	Cortland	Dominion	DTI
	Dean Creek	Columbia	Millennium/TCO
	Dryden	Dominion	DTI
	East Ithaca	Dominion	DTI
	Freeville	Dominion	DTI
	Groton	Dominion	DTI
	Ithaca	Dominion	DTI
	Newfield	Dominion	DTI
	South Cortland	Dominion	DTI
Lewis County			
Interstate	Burdicks Crossing	Iroquois	IGTS
Lockport			
Interstate	Robinson Road	Tennessee	TGP
Intrastate	Royalton	Tennessee	ESP
Mechanicville			
Intrastate	Mechanicville	Dominion	DTI/NIMO
Olean			
Interstate	Flat Iron	Columbia	TCO
Oneonta			
Interstate	Deansboro/Waterville	Dominion	DTI
	DeRuyter	Dominion	DTI
	Eaton (Morrisville)	Dominion	DTI
Owego			
Interstate	Owego	Columbia	Millennium/TCO
	Catatonk	Columbia	Millennium/TCO
Plattsburgh			
Interstate	Champlain	North Country Pipeline	NCPL
	Chazy	North Country Pipeline	NCPL
	Plattsburgh	North Country Pipeline	NCPL
Watkins Glen			
Interstate	Beaver Dams	Columbia	TCO
	Chambers	Columbia	TCO
	Post Creek	Columbia	TCO
	Townsend Road	Columbia	TCO
	Wayne Keuka	Columbia	TCO

D. NYSEG LOCATIONS BY POOLING AREA, CITYGATE AND PIPELINE

Location	Pooling Area	Citygate	Pipeline(s)
Albion, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Albion, Village of	TGP TGP	Royalton Robinson Road	ESP TGP
Allegany, Town of	Columbia	Flat Iron	Columbia
Allegany, Village of	Columbia	Flat Iron	Columbia
Amherst, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Arcadia, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Ashland, Town of	DTI DTI DTI DTI	Gardner Road Big Flats Bradley Farms Southern Tier	DTI DTI DTI/Corning Local/TCO/Millennium
Auburn, City of	DTI DTI	Auburn East Auburn	DTI DTI
Aurelius, Town of	DTI DTI	Auburn East Auburn	DTI DTI
Avoca, Town of	TGP	Wallace	TGP
Avoca, Village of	TGP	Wallace	TGP
Barker, Village of	TGP TGP	Royalton Robinson Road	ESP TGP
Barre, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Barrington, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Benton, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Big Flats, Town of	DTI DTI DTI	Big Flats Gardner Road Bradley Farms	DTI DTI DTI/Corning

Arcadia receipt points with an asterisk (*) should only be used when the Packwood Road valve is open.

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Binghamton, City of	Columbia	Port Dick	Millennium/TCO
	Columbia	Willis Road	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Binghamton, Town of	Columbia	Port Dick	Millennium/TCO
	Columbia	Willis Road	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Brewster, Village of	AGT	Southeast	AGT
Brookfield, Town of	DTI	Waterville	DTI
Brutus, Town of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Butternuts, Town of	DTI	DeRuyter	DTI
Cambria, Town of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Camillus, Town of	DTI	Bishop Hill	DTI
	DTI	Old Seneca Tnpk	DTI
Canaan, Town of	TGP	Canaan	TGP
Canandaigua, City of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Canandaigua, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Candor, Town of	Columbia	Catatonk	Millennium/TCO
Candor, Village of	Columbia	Catatonk	Millennium/TCO
Carlisle, Town of	TGP	Carlisle	TGP
Carmel, Town of	AGT	Southeast	AGT
Caroline, Town of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Carrollton, Town of	Columbia	Limestone	Columbia
Catlin, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Catlin, Town of (*continued*)	DTI	Southern Tier	Local/TCO/Millennium
Cayuga Heights, Village of	DTI DTI	Ithaca East Ithaca	DTI DTI
Cayuga, Village of	DTI DTI	Auburn East Auburn	DTI DTI
Champlain, Town of	NCPL	Champlain	NCPL
Champlain, Village of	NCPL	Champlain	NCPL
Chazy, Town of	NCPL	Chazy	NCPL
Chemung, Town of	DTI DTI DTI	Gardner Road Bradley Farms Southern Tier	DTI DTI/Corning Local/TCO/Millennium
Chenango, Town of	Columbia Columbia Columbia Columbia Columbia	Port Dick Willis Road Westover Endicott Union Center	Millennium/TCO Millennium/TCO Millennium/TCO Millennium/TCO Millennium/TCO
Clifton Springs, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Clyde, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Cobleskill, Town of	TGP	Carlisle	TGP
Cobleskill, Village of	TGP	Carlisle	TGP
Cohocton, Town of	TGP	Wallace	TGP
Cohocton, Village of	TGP	Wallace	TGP
Conesus, Town of	DTI	Genesee Falls	DTI
Conklin, Town of	Columbia Columbia Columbia Columbia	Port Dick Westover Endicott Union Center	Millennium/TCO Millennium/TCO Millennium/TCO Millennium/TCO
Corning, Town of	Columbia	Big Flats	DTI
Cortland, City of	DTI DTI	Cortland South Cortland	DTI DTI
Cortland, Town of	DTI DTI	Cortland South Cortland	DTI DTI

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Cortlandville, Town of	DTI DTI	Cortland South Cortland	DTI DTI
Covert, Town of	DTI DTI	Ithaca East Ithaca	DTI DTI
Danby, Town of	DTI DTI	Ithaca East Ithaca	DTI DTI
Dannemora, Town of	NCPL	Plattsburgh	NCPL
Dannemora, Village of	NCPL	Plattsburgh	NCPL
Dansville, Town of	DTI	Genesee Falls	DTI
Dansville, Village of	DTI	Genesee Falls	DTI
Davenport, Town of	DTI	DeRuyter	DTI
Deposit, Town of	Columbia Columbia	Walton Deposit	Millennium/TCO Millennium/TCO
Deposit, Village of	Columbia Columbia	Walton Deposit	Millennium/TCO Millennium/TCO
DeRuyter, Town of	DTI DTI	DeRuyter DeRuyter	DTI DTI
Dickinson, Town of	Columbia Columbia Columbia Columbia Columbia	Port Dick Willis Road Westover Endicott Union Center	Millennium/TCO Millennium/TCO Millennium/TCO Millennium/TCO Millennium/TCO
Dix, Town of	Columbia Columbia	Beaver Dams Townsend Road	Columbia Columbia
Dresden, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Dryden, Town of	DTI DTI DTI	Ithaca East Ithaca Dryden	DTI DTI DTI
Dryden, Village of	DTI	Dryden	DTI
Dundee, Village of	Columbia	Dundee	Columbia
Eaton, Town of	DTI	Morrisville	DTI
Eaton, Village of	DTI	Morrisville	DTI
Elbridge, Town of	DTI DTI	Auburn East Auburn	DTI DTI

Arcadia receipt points with an asterisk (*) should only be used when the Packwood Road valve is open.

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Elbridge, Village of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Elmira Heights, Village of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Elmira, City of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Elmira, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Endicott, Village of	Columbia	Comfort Road **	DTI
	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Enfield, Town of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Erin, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Fayette, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Fenton, Town of	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Fleming, Town of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Forrestburg, Town of	Columbia	Hartwood Club	Millennium/TCO

Arcadia receipt points with an asterisk (*) should only be used when the Packwood Road valve is open.

***Receipt for DAV only pools to Comfort Road via DTI (Crestwood Pipeline East) must be based on the following percentages: 30% winter, 20% summer and 25% spring/fall. These percentages are subject to change.*

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Freeville, Village of	DTI	Freeville	DTI
Gaines, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Galen, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Genesee Falls, town of	DTI	Genesee Falls	DTI
Genesee, Town of	N. Penn	Ceres	N. Penn
Geneva, City of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Geneva, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Georgetown, Town of	DTI	DeRuyter	DTI
Gorham, Town of	TGP	Rushville	TGP
Goshen, Town of	O&R O&R	Goshen Citygate Denton Hill	AGT/O&R AGT/O&R
Goshen, Village of	O&R O&R	Goshen Citygate Denton Hill	AGT/O&R AGT/O&R
Groton, Town of	DTI	Groton	DTI
Groton, Village of	DTI	Groton	DTI
Groveland, Town of	DTI	Genesee Falls	DTI
Halfmoon, Town of	DTI	Mechanicville	DTI/NIMO
Hamptonburgh, Town of	O&R O&R	Goshen Citygate Denton Hill	AGT/O&R AGT/O&R
Hancock, Town of	Columbia	Hancock	Millennium/TCO
Hancock, Village of	Columbia	Hancock	Millennium/TCO
Hartland, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Holley, Village of	TGP TGP	Royalton Robinson Road	ESP TGP
Homer, Town of	DTI DTI	Cortland South Cortland	DTI DTI

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Homer, Village of	DTI	Cortland	DTI
	DTI	South Cortland	DTI
Hopewell, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Hornby, Town of	Columbia	Hornby	Columbia
	Columbia	Post Creek	Columbia
Horseheads, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Horseheads, Village of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Italy, Town of	TGP	Prattsburg	TGP
Ithaca, City of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Ithaca, Town of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Jerusalem, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Johnson City, Village of	Columbia	Comfort Road **	DTI
	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Jordan, Village of	DTI	Auburn	DTI
	DTI	East Auburn	DTI

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***Receipt for DAV only pools to Comfort Road via DTI (Crestwood Pipeline East) must be based on the following percentages: 30% winter, 20% summer and 25% spring/fall. These percentages are subject to change.*

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Junius, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Kirkwood, Town of	Columbia	Kirkwood	Millennium/TCO
Lansing, Town of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Lansing, Village of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Limestone, Village of	Columbia	Limestone	Columbia
Locke, Town of	DTI	Groton	DTI
Lockport, City of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Lockport, Town of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Lodi, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Lowville, Town of	IGTS	Burdicks Crossing	IGTS
Lowville, Village of	IGTS	Burdicks Crossing	IGTS
Lyndonville, Village of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Lyons Falls, Village of	IGTS	Burdicks Crossing	IGTS
Lyons, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Lyons, Village of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Lyonsdale, Town of	IGTS	Burdicks Crossing	IGTS
Macedon, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Macedon, Village of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Maine, Town of	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Manchester, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Manchester, Village of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Marcellus, Town of	DTI	Old Seneca Tnpk	DTI
	DTI	Bishop Hill	DTI
Marcellus, Village of	DTI	Old Seneca Tnpk	DTI
	DTI	Bishop Hill	DTI
Margaretville, Village of	Columbia	Hancock	Millennium/TCO
Marshall, Town of	DTI	Waterville	DTI
Martinsburg, Town of	IGTS	Burdicks Crossing	IGTS
McGraw, Village of	DTI	Cortland	DTI
	DTI	South Cortland	DTI
Mechanicville, City of	DTI	Mechanicville	DTI/NIMO
Medina, Village of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Mentz, Town of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Middleport, Village of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Middlesex, Town of	TGP	Rushville	TGP
Millport, Village of	DTI	Gardner Road	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium

NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Milo, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Montezuma, Town of	DTI	Blanchard Road	DTI
Montgomery, Town of	O&R O&R	Goshen Citygate Denton Hill	AGT/O&R AGT/O&R
Montour Falls, Village of	Columbia	Townsend Road	Columbia
Montour, Town of	Columbia	Townsend Road	Columbia
Moravia, Town of	DTI	Groton	DTI
Moravia, Village of	DTI	Groton	DTI
Morris, Town of	DTI	DeRuyter	DTI
Morrisville, Village of	DTI	Morrisville	DTI
Mount Morris, Town of	DTI	Genesee Falls	DTI
Murray, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Naples, Town of	TGP	Prattsburg	TGP
Naples, Village of	TGP	Prattsburg	TGP
New Berlin, Town of	DTI	DeRuyter	DTI
Newark, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Newfane, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Newfield, Town of	DTI DTI DTI	Ithaca East Ithaca Newfield	DTI DTI DTI
Nichols, Town of	Columbia	Owego	Millennium/TCO
North Dansville, Town of	DTI	Genesee Falls	DTI
North Norwich, Town of	DTI	DeRuyter	DTI
Norwich, City of	DTI	DeRuyter	DTI
Norwich, Town of	DTI	DeRuyter	DTI
Nunda, Town of	DTI	Genesee Falls	DTI

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Nunda, Village of	DTI	Genesee Falls	DTI
Olean, City of	Columbia	Flat Iron	Columbia
Olean, Town of	Columbia	Flat Iron	Columbia
Oneonta, City of	DTI	DeRuyter	DTI
Oneonta, Town of	DTI	DeRuyter	DTI
Orange, Town of	Columbia	Beaver Dams	Columbia
Ossian, Town of	DTI	Genesee Falls	DTI
Otego, Town of	DTI	DeRuyter	DTI
Otego, Village of	DTI	DeRuyter	DTI
Otisco, Town of	DTI DTI	Bishop Hill Old Seneca Tnpk	DTI DTI
Otselic, Town of	DTI	DeRuyter	DTI
Owasco, Town of	DTI	Auburn	DTI
Owasco, Town of	DTI	East Auburn	DTI
Owego, Town of	Columbia	Owego	Millennium/TCO
Owego, Village of	Columbia	Owego	Millennium/TCO
Oxford, Town of	DTI	DeRuyter	DTI
Oxford, Village of	DTI	DeRuyter	DTI
Palmyra, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Palmyra, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Patterson, Town of	AGT	Southeast	AGT
Pendleton, Town of	ESP TGP	Royalton Robinson Road	ESP TGP
Penn Yan, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Peru, Town of	NCPL	Plattsburgh	NCPL

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Phelps, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Phelps, Village of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Plattsburgh, City of	NCPL	Plattsburgh	NCPL
Plattsburgh, Town of	NCPL	Plattsburgh	NCPL
Plymouth, Town of	DTI	DeRuyter	DTI
Port Byron, Village of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Port Dickinson, Village of	Columbia	Port Dick	Millennium/TCO
	Columbia	Willis Road	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Portage, Town of	DTI	Genesee Falls	DTI
Potter, Town of	TGP	Rushville	TGP
Prattsburg, Town of	TGP	Prattsburg	TGP
Preble, Town of	DTI	Cortland	DTI
	DTI	South Cortland	DTI
Preston, Town of	DTI	DeRuyter	DTI
Pulteney, Town of	TGP	Prattsburg	TGP
Reading, Town of	Columbia	Townsend Road	Columbia
Richfield Springs, Village of	TGP	Richfield Springs	TGP
Richfield, Town of	TGP	Richfield Springs	TGP
Richmondville, Town of	TGP	Carlisle	TGP
Ridgeway, Town of	TGP	Royalton	ESP
	TGP	Robinson Road	TGP
Romulus, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Rouses Point,	NCPL	Champlain	NCPL

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Royalton, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Rushville, Village of	TGP	Rushville	TGP
Sanford, Town of	Columbia	Deposit	Millennium/TCO
Sangerfield, Town of	DTI	Waterville	DTI
Saranac, Town of	NCPL	Plattsburgh	NCPL
Schuyler Falls, Town of	NCPL	Plattsburgh	NCPL
Seneca Falls, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Seneca Falls, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Seneca, Town of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Sennett, Town of	DTI DTI	Auburn East Auburn	DTI DTI
Shawangunk, Town of	O&R O&R	Goshen Citygate Denton Hill	AGT/O&R AGT/O&R
Shelby, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Shortsville, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia	DTI DTI DTI ESP
Skaneateles, Town of	DTI DTI	Bishop Hill Old Seneca Tnpk	DTI DTI
Smyrna, Town of	DTI	DeRuyter	DTI
Somerset, Town of	TGP TGP	Royalton Robinson Road	ESP TGP
Southeast, Town of	AGT	Southeast	AGT

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Southport, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Sparta, Town of	DTI	Genesee Falls	DTI
Spencer, Town of	Columbia	Dean Creek	Millennium/TCO
Spencer, Village of	Columbia	Dean Creek	Millennium/TCO
Springport, Town of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Springwater, Town of	DTI	Genesee Falls	DTI
Starkey, Town of	Columbia	Dundee	Columbia
Stillwater, Town of	DTI	Mechanicville	DTI/NIMO
Throop, Town of	DTI	Auburn	DTI
	DTI	East Auburn	DTI
Tioga, Town of	Columbia	Owego	Millennium/TCO
Tompkins, Town of	Columbia	Deposit	Millennium/TCO
Torrey, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Trumansburg, Village of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Turin, Town of	IGTS	Burdicks Crossing	IGTS
Turin, Village of	IGTS	Burdicks Crossing	IGTS
Tyre, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Tyrone, Town of	Columbia	Wayne-Keuka	Columbia
Ulysses, Town of	DTI	Ithaca	DTI
	DTI	East Ithaca	DTI
Union Springs, Village of	DTI	Auburn	DTI
	DTI	East Auburn	DTI

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Union, Town of	Columbia	Comfort Road **	DTI
	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Varick, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP
Vestal, Town of	Columbia	Port Dick	Millennium/TCO
	Columbia	Westover	Millennium/TCO
	Columbia	Endicott	Millennium/TCO
	Columbia	Union Center	Millennium/TCO
Veteran, Town of	DTI	Gardner Road	DTI
	DTI	Big Flats	DTI
	DTI	Bradley Farms	DTI/Corning
	DTI	Southern Tier	Local/TCO/Millennium
Walden, Village of	O&R	Goshen Citygate	AGT/O&R
	O&R	Denton Hill	AGT/O&R
Walton, Town of	Columbia	Walton	Millennium/TCO
	Columbia	Deposit	Millennium/TCO
Walton, Village of	Columbia	Walton	Millennium/TCO
	Columbia	Deposit	Millennium/TCO
Walworth, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia	ESP
Warren, Town of	TGP	Carlisle	TGP
Waterloo, Town of	DTI	Millard Road	DTI
	DTI	Phelps	DTI
	DTI	Hopewell	DTI
	DTI	Arcadia *	ESP

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NYSEG Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Waterloo, Village of	DTI DTI DTI DTI	Millard Road Phelps Hopewell Arcadia *	DTI DTI DTI ESP
Waterville, Village of	DTI	Waterville	DTI
Watkins Glen, Village of	Columbia	Townsend Road	Columbia
Wayland, Town of	DTI	Genesee Falls	DTI
Wayland, Village of	DTI	Genesee Falls	DTI
Wayne, Town of	Columbia	Wayne-Keuka	Columbia
Weedsport, Village of	DTI DTI	Auburn East Auburn	DTI DTI
Wellsburg, Village of	DTI DTI DTI DTI	Gardner Road Big Flats Bradley Farms Southern Tier	DTI DTI DTI/Corning Local/TCO/Millennium
West Sparta, Town of	DTI	Genesee Falls	DTI
West Turin, Town of	IGTS	Burdicks Crossing	IGTS
Windsor, Town of	Columbia	Kirkwood	Millennium/TCO
Yates, Town of	TGP TGP	Royalton Robinson Road	ESP TGP

Arcadia receipt points with an asterisk (*) should only be used when the Packwood Road valve is open.

E. NYSEG SERVICE CLASSIFICATIONS

PSC 87 Sales Service Classifications:

Service Class No.	PSC 87 Retail Service Classification
1	Residential Service
2	General Service
3	Interruptible Sales Service
4	Natural Gas Motor Vehicles
5	Seasonal Gas Cooling Service
6	Standby Sales Service
9	Industrial Manufacturing or Processing Purposes (Binghamton Only)
10	Non-Residential Distributed Generation Firm Sales Service
11	Residential Distributed Generation Firm Sales Service

Note: The detailed requirements for each of these service classifications may be found in PSC No. 87 – Gas. The tariff is available on the following Internet sites: www.nyseg.com and www.dps.ny.gov.

PSC 88 Retail Access Service Classifications:

Service Class	Description	Annual Usage Requirement	Capacity Release	Balancing	Daily Metering	TS	Capacity Surcharge
1	Firm Transportation Service	>25,000 Dth/year	Non-Mandatory Excludes Human Needs [1 2]	Daily Balancing	Yes	Yes [3]	No [4]
2	Interruptible Transportation Service	Binghamton Area – > 4,000 Dth/ month Champlain & Plattsburgh Area – > 7,000 Dth/year All Other Areas – > 7,000 Dth Apr – Oct	Non-Mandatory Excludes Human Needs [1]	Daily Balancing	Yes	No	No [4]
3	Incremental Interruptible Transportation Service	> 500,000 Dth/ year	Non-Mandatory Excludes Human Needs 1	Daily Balancing	Yes	No	No [4]
5	Small Firm Transportation Service	< 25,000 Dth/year	Non-Mandatory Excludes Human Needs [1 2]	Daily Balancing	Yes	Yes [3]	No [4]
6	Transportation Service for Fueling of Natural Gas Vehicles		Non-Mandatory Excludes Human Needs [1 2]	Daily Balancing	Yes	No	No [4]
7	Firm or Limited Firm Negotiated Transportation Service		Non-Mandatory Excludes Human Needs [1 2]	Daily Balancing	Yes	No	No [4]
13	Residential Firm Aggregation Transportation Service	Aggregated > 5,000 Dth/year	Mandatory Capacity Release if Non-Daily Metered [2]	NDTMBS or CSC if Non-Daily Metered; Daily Balancing	Customer's Choice	Yes [3]	No [4]
14	Non-Residential Firm Aggregation Transportation Service	Aggregated > 5,000 Dth/year	Mandatory Capacity Release if Non-Daily Metered [2]	NDTMBS or CSC if Non-Daily Metered; Daily Balancing	Customer's Choice	Yes [3]	No [4]
15	Basic Electric Generation Transportation Service	>50 MW Generating Capacity	Non-Mandatory Excludes Human Needs	Hourly or Daily Balancing	Yes	No	No [4]

PSC 88 Retail Access Service Classifications (continued)

Service Class	Description	Annual Usage Requirement	Capacity Release	Balancing	Daily Metering	TS	Capacity Surcharge
16	Non-Residential Distributed Generation Firm Transportation Service	<50 MW Generating Capacity >50% load factor	Mandatory Capacity Release if Non-Daily Metered [2]	NDTMBS or CSC if Non-Daily Metered; Daily Balancing	Customer's Choice	Yes	No
19	Residential Distributed Generation Firm Transportation Service	Aggregated > 5,000 Dth/year	Mandatory Capacity Release if Non-Daily Metered [2]	NDTMBS or CSC if Non-Daily Metered; Daily Balancing	Customer's Choice	Yes [3]	No [4]

NDTMBS Non-Daily Metered Transportation Monthly Balancing Service

CSC Dominion Citygate Swing Customer Balancing Service

TS Transition Surcharge

For the most current NYSEG Natural Gas Rates by Area and Summarizing Service Elements by Customer Type refer to NYSEG's approved tariffs, **PSC No. 87 – Gas** and **PSC No. 88 – Gas**.

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[1] *ESCO/DCs are allowed to provide capacity unless the customer is a human needs customer. Refer to NYSEG PSC 88, Section 4 – Daily Metered Transportation.*

[2] *Any customer in Cattaraugus County (also referred to as Olean), requesting Firm Transportation Service, who was a Firm Sales Customer after November 2, 1995, shall take a mandatory assignment of Columbia firm capacity assignment.*

[3] *Any customers who were Firm Transportation customers on or before November 2, 1995, and continue to take service under the same service classification are exempt from this charge.*

[4] *The Capacity Surcharge is applicable to ESCOs, Direct Customers serving Daily Metered Customers in the Mechanicville, Goshen, Plattsburgh and Champlain districts. The capacity surcharge will be reflected in the WACOC for Non-Daily Metered Customers.*

RG&E

A. OVERVIEW

RG&E supplies gas service wholly within the State of New York and is engaged in the distribution and sales of these services in a nine-county area centering around the City of Rochester.

The Rochester service territory is served by DTI firm transportation, DTI swing storage service, Empire Pipeline firm transportation and Empire Pipeline firm storage service. Additional swing supplies can be purchased from a third party at either Dawn or Chippawa to be delivered via Empire Pipeline.

B. RG&E Service Territory

Monroe County	City of Rochester; Villages of Brockport, Churchville, East Rochester, Fairport, Hilton, Pittsford, Scottsville, Spencerport, and Webster; Towns of Brighton, Chili, Clarkson, Gates, Greece, Hamlin, Henrietta, Irondequoit, Macedon, Mendon, Ogden, Parma, Penfield, Perinton, Pittsford, Riga, Rush, Sweden, Webster, and Wheatland
Genesee County	Villages of Bergen and Leroy; Towns of Bergen, Byron, LeRoy, Pavilion, and Stafford
Livingston County	Villages of Avon, Caledonia, Geneseo, Leicester, Livonia, and Mt. Morris; Towns of Avon, Caledonia, Geneseo, Leicester, Livonia, and York
Ontario County	Village of Victor; Towns of Farmington and Victor
Orleans County	Town of Kendall
Wayne County	Villages of Red Creek, Sodus, Sodus Point Wolcott; Towns of Butler, Galen, Huron, Marion, and Ontario
Wyoming County	Villages of Perry and Warsaw; Towns of Castile*, Covington, Perry, and Warsaw

** Portion*

C. RG&E Locations by Pooling Area, Citygate and Pipeline

Location	Pooling Area	Citygate	Pipeline(s)
Avon, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Avon, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Bergen, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
	DTI/Empire	Bergen *	ESP
Bergen, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Brighton, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Brockport, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Butler, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
Byron, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Caledonia, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local

**Bergen Citygate available to Bergen Schools only*

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Caledonia, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Castile*, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Chili, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Chili	ESP
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Churchville, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Clarkson, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Covington, Town of	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
	DTI/Empire	Intoil	Local
	DTI/Empire	Perry	DTI
	DTI/Empire	Warsaw	DTI
East Rochester, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Fairport, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Farmington, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Galen, Town of	DTI/Empire	Tyre	DTI

**Portion of*

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Geneseo, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Greece, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Hamlin, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Henrietta, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Hilton, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Huron, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Irondequoit, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Kendell, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Leicester, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Leicester, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
LeRoy, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
Leroy, Village of	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
Livonia, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Livonia, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Macedon*, Town of	DTI/Empire	Tyre	DTI
Marion, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Mendon*, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Mt. Morris, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Mt. Morris, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Ogden, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Ontario, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local

* *Portion*

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Parma, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Pavilion, Town of	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
Penfield, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Perinton, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Perry, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Perry, Village of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI
Pittsford, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Pittsford, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Red Creek, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Riga, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Rochester, City of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Rose, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Rush, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Scottsville, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Sodus Point, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Sodus, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Sodus, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Spencerport, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Stafford, Town of	DTI/Empire	Leroy	DTI
	DTI/Empire	York	DTI
Sweden, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Victor, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local

RG&E Locations by Pooling Area, Citygate and Pipeline (continued)

Location	Pooling Area	Citygate	Pipeline(s)
Victor, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Walworth, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Warsaw, Town of	DTI/Empire	Intoil	Local
	DTI/Empire	Perry	DTI
	DTI/Empire	Warsaw	DTI
Warsaw, Village of	DTI/Empire	Intoil	Local
	DTI/Empire	Perry	DTI
	DTI/Empire	Warsaw	DTI
Webster, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Webster, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Wheatland, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Williamson, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Wolcott, Town of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
Wolcott, Village of	DTI/Empire	Caledonia	DTI
	DTI/Empire	Mendon	ESP
	DTI/Empire	Tyre	DTI
	DTI/Empire	Welch Road	Local
York, Town of	DTI/Empire	Avon	DTI
	DTI/Empire	Big Tree	Local
	DTI/Empire	Greigsville	DTI
	DTI/Empire	Perry	DTI
	DTI/Empire	York	DTI

D. RG&E SERVICE CLASSIFICATIONS

For descriptions of all service classifications refer to PSC No. 16 – Gas.

Service Class No.	PSC 16 Retail Service Classification*
1	General Service
4	General Service – Economic Development
6	Non-Residential Distributed Generation Firm Gas Sales <50 MW
8	Residential Distributed Generation Firm Gas Sales Service

** RG&E provides the complete commodity service*

PSC 16 Transportation Service Classifications:

Service Class	Description	Annual Usage Requirement	Capacity Assignment	Balancing	Daily Metering
3	Large transportation service	>3,500 Dth/year	Non-mandatory excludes Human Needs [1]	Choose CSC or Daily Balancing	Yes
5	Small transportation service	Aggregated customers > 5,000 Dths or one service point >3,500 Dth/year	Mandatory capacity assignment	CSC Balancing	No
7	Firm Gas transportation service for small Distributed Generation < 5 MW	<3,500 Dth/yr	Mandatory capacity assignment	CSC Balancing	No
	Firm Gas transportation service for small Distributed Generation < 5 MW	>3,500 Dth/yr	Non-mandatory excludes Human Needs	Choose CSC or Daily Balancing	Yes
	Firm Gas transportation service for large Distributed Generation <50 MW	>3,500 Dth/yr	Non-mandatory excludes Human Needs [1]	Choose CSC or Daily Balancing	Yes
9	Residential DG Firm transportation service	Aggregated customers > 5,000 Dths or one service point >3,500 Dth/year	Mandatory capacity assignment	CSC Balancing	No
10	General Service – transportation service to Electric Generation	>3,500 Dth/yr	Non-mandatory excludes Human Needs [1]	Choose CSC or Daily Balancing	Yes

CSC Dominion Citygate Swing Customer Balancing Service

Refer to RG&E's approved tariff, PSC No. 16 – Gas, for the most current natural gas rates.

[1] *ESCOs are required to provide capacity unless the customer is a human needs customer. Refer to Section 10.G Part II in the tariff for details.*

Section C

ESCO Qualifications & Discontinuance

A. OBJECTIVE

This section describes the process that an applicant must follow to become eligible and to maintain participation in the Gas Retail Access Program for NYSEG and RG&E. On February 16, 1999, The New York State Public Service Commission (NY PSC) issued its **Opinion and Order Concerning Uniform Business Practices** (UBP) in an effort to address and minimize inconsistencies in the Retail Access rules and procedures for electric and gas utilities across New York State. The order is located on the NY PSC website at **www.dps.ny.gov**. The rules in this section conform to the UBP as well as the appropriate Tariff(s).

B. UNDERSTANDING AFFILIATE TRANSACTION STANDARDS

NYSEG/RG&E values the relationships they have established with suppliers, affiliates, and third parties involved in the energy supply business. Affiliate transactions involve the provision, sale, assignment, transfer, or lease of goods, services or other assets between NYSEG/RG&E and their parent company and subsidiaries. Affiliate transactions will be at arms-length, that is, there will be no disadvantage to NYSEG/RG&E and no preferential treatment given to the parent company or any of its subsidiaries.

NYSEG/RG&E will **not** provide sales leads to an affiliate involving customers in NYSEG/RG&E's service territory. NYSEG/RG&E will refrain from giving the appearance that NYSEG/RG&E speaks on behalf of an affiliate, or that an affiliate speaks on behalf of NYSEG/RG&E. NYSEG/RG&E may provide a list of all known ESCOs operating in the service territories in the event that a customer requests information about securing a service/product. This list may include affiliates, however, NYSEG/RG&E may not promote affiliates.

NYSEG/RG&E will **not** provide any competitive information or data to affiliates unless the same information or data is provided to all competitors at the same time and under the same conditions.

In the event a situation arises where there is a concern that these standards are not being complied with, please refer to the AVANGRID Code of Ethics and Annex on the AVANGRID website. Questions may be directed to the Corporate Compliance Officer at (207) 688-4375, the V.P. – General Counsel at (207) 688-6363, or your Supplier Relations Lead Analyst.

C. ESCO QUALIFICATION

1. Gas ESCO Qualification Steps

Gas ESCOs applying to serve customers will work with NYSEG/RG&E to complete the qualification process. See the NYSEG/RG&E website links below:

- How to become an ESCO in NYSEG's service territory:
  www.nyseg.com/SuppliersAndPartners/naturalgasescos/becomeesco.html
- How to become an ESCO in RG&E's service territory:
  www.rge.com/SuppliersAndPartners/naturalgasescos/becomeesco.html

2. **Gas ESCO Qualification Required Documentation**

Several documents must be completed and submitted to NYSEG/RG&E Supplier Relations to initiate the qualification process. See the NYSEG and RG&E website links below for the Gas Qualification Checklist and the Qualification Application forms.

- NYSEG:
  www.nyseg.com/SuppliersAndPartners/naturalgasescos/formsagreements.html
- RG&E:
  www.rge.com/SuppliersAndPartners/naturalgasescos/formsagreements.html

3. **Electronic Data Interface (EDI) Testing**

EDI is a way businesses can communicate and exchange data electronically in a standardized format. The following are the steps required for preparing and performing EDI testing:

- EDI testing requirements are posted on the NY PSC website at:
  www.dps.ny.gov/98m0667_current.htm
- EDI testing instructions are posted on the NYSEG/RG&E website. See links below:

  NYSEG:
  www.nyseg.com/SuppliersAndPartners/edi/editestinstructions.html

  RG&E:
  www.rge.com/SuppliersAndPartners/edi/editestinstructions.html
- EDI test schedule is posted on NYSEG/RG&E website. See links below:

  NYSEG:
  www.nyseg.com/SuppliersAndPartners/edi/editestschedules.html

  RG&E:
  www.rge.com/SuppliersAndPartners/edi/editestschedules.html

D. CREDITWORTHINESS & RISK

Creditworthiness will be determined at the time the ESCO/DC applies for qualification. This is achieved using information the ESCO/DC provides in their application package and their associated credit rating. Thereafter, the ESCO/DC must provide updated credit information to NYSEG/RG&E on an annual basis. ESCO/DCs must have an account with NYSEG/RG&E which is current and has remained current for the past twelve (12) months to maintain qualified status. The appropriate application forms may be found on the NYSEG and RG&E websites. Creditworthiness standards as they apply to both ESCOs and DCs are described in detail in the UBP. All credit evaluations will be performed in a non-discriminatory manner. ESCO/DCs may request an updated review of their creditworthiness at any time. The Dispute Resolution Process, detailed in Section G of this section will take effect in the event questions, problems or complaints arise between ESCO/DCs and NYSEG/RG&E.

Credit Risk & Security

NYSEG/RG&E may require an ESCO/DC to provide and maintain security as described in the UBP. NYSEG/RG&E reserves the right to request additional security, beyond the calculated risk, based on additional information including but not limited to:

- Change in credit risk greater than 10% or $200,000
- Any major change in the ESCO/DC's credit and/or rating risk
- Credit rating is downgraded
- The guarantor's rating falls below minimum
- Increase in customer usage or energy prices

NYSEG/RG&E calculates the credit risk and establish the security requirements in the following ways:

Natural Gas Imbalance Risk

NYSEG/RG&E may require security for an ESCO who chooses the dual billing option. This security will be in an amount no greater than the ESCO's Maximum Daily Pooling Quantity (MDPQ), or the DC's projected Maximum Daily Transport Quantity (MDTQ) multiplied by the peak forecasted New York Mercantile Exchange (NYMEX) price for the next twelve (12) months plus upstream capacity to the citygate multiplied by ten (10) days. NYSEG/RG&E may also require seasonal security upon request. This applies to an ESCO that chooses Consolidated Billing and also has some dual billed customers. Credit is calculated only for those customers that are dual billed.

Delivery Service Risk

NYSEG/RG&E may require security as defined in the UBP for ESCO/DCs that choose Consolidated Billing. This only applies in the case of the ESCO Consolidated Billing Option under the Single Retail Model.

E. SECURITY PROVISIONS

1. Security Requirements

NYSEG/RG&E may require no security if an ESCO/DC meets the creditworthiness determinants. Security in the amount equal to the credit exposure may be required if the ESCO/DC does not meet creditworthiness determinants.

2. Security Instruments

An ESCO/DC that does not satisfy credit requirements may still retain credit approval from NYSEG/RG&E. This may be achieved by remitting any outstanding balance due to NYSEG/RG&E and/or providing the mutually agreed upon security instrument. Acceptable security instruments are defined in the UBP. NYSEG/RG&E has the right to refuse any method of security, for just cause, without discrimination.

3. Drawing on Security

- NYSEG/RG&E may draw upon the security an ESCO/DC posts after providing five (5) calendar days notice. This occurs whenever the ESCO/DC fails to pay NYSEG/RG&E on a timely basis as set forth in the Operating Agreement unless payment is made in full within the five-day notice period.
- NYSEG/RG&E may draw upon the security that an ESCO/DC posts without prior notice if the ESCO/DC files a petition in a bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the ESCO/DC), or for any reason an ESCO/DC ceases to provide service to its customers under the Gas Retail Access Program.
- NYSEG/RG&E may draw on security without prior notice if an ESCO/DC receives a discontinuance notice, or elects to discontinue service.

4. Steps Taken by the Utility

The Supplier Relations Lead Analyst will:

- Complete an initial creditworthiness evaluation within ten (10) business days of receiving a new or updated application from an ESCO/DC
- Provide the rationale for its determination of credit risk
- Provide calculations supporting the decision of credit limit and security requirements
- Monitor each ESCO/DC's credit limit and bill payment status on a regular basis
- Monitor and alert the ESCOs of changes to the ESCO/DC credit requirements per the UBP
- Notify the ESCO/DC when a major change in risk occurs which results in an increase or decrease in security. The Supplier Relations Lead Analyst will inform the ESCO/DC that they must take one (1) of the following actions within five (5) calendar days:
  - Increase their security to at least the amount of financial exposure;
  - Pay down the amount owed NYSEG/RG&E to less than their established credit limit; or
  - A combination of the two (2)

NYSEG/RG&E will draw on the ESCO/DC's security if the ESCO/DC does not take appropriate action within the five-day period. NYSEG/RG&E will begin the process of discontinuance if the ESCO/DC is unsecured. Refer to Discontinuance of Service under item F of this section for more information.

F. DISCONTINUANCE OF SERVICE

1. Voluntary Discontinuance

An ESCO may discontinue service to (1) individual customers or (2) their entire customer pool. Notice must be filed by the ESCO with the NY PSC in accordance with NY PSC guidelines. The ESCO must submit written notice to each of their customers and NYSEG/RG&E at least fifteen (15) calendar days prior to the discontinuance date, per the UBP.

The content to be provided in the notice is set forth as follows:

- The discontinuance will occur on one (1) of the following dates selected by the distribution utility:
  - Scheduled meter read date
  - First day of the month or another date, if the readings are estimated,
  - Or, special meter read (a fee may apply)
- The customer has the option to either select another ESCO to be their energy service provider or to return to NYSEG/RG&E's sales service
- A new ESCO will file a switch request with NYSEG/RG&E on behalf of the customer if the customer selects another ESCO. There will be no fee charged by NYSEG/RG&E for the switches
- Service will be provided by NYSEG/RG&E under the applicable Sales Tariff rate until a new ESCO is selected and the switch is completed
- There will be no switching fee charged by NYSEG/RG&E to the customer for a switch back to NYSEG/RG&E, whether as an interim measure until a new ESCO is selected, or as a permanent action

Transportation Agreements for NYSEG Daily Metered Customers will remain active if the customer has not switched to another ESCO after the discontinuance. The customer will remain on the NYSEG's applicable Sales Service and their Transportation Agreement will be terminated if sixty (60) days pass after the discontinuance without a new ESCO enrollment. Requirements regarding removal of the recorder and/or continuance of communicating with a metering device can be found in Section D of this manual.

2. Involuntary Discontinuance of an ESCO/DC's Service Rights

NYSEG/RG&E may initiate the process to discontinue an ESCO's rights for reasons in addition to the rules and requirements established in the UBP. The reasons are as follows:

- NYSEG/RG&E determines it is necessary for safety or system reliability including, but not limited to:
  - Actual scheduled deliveries must not deviate beyond a two (2) percent citygate balance tolerance of an ESCO's day ahead forecast for their Non-Daily Metered Pool
  - Failure to comply with Operational Flow Orders (OFO)
  - Failure to comply with nomination deadlines
  - Any other activity which might jeopardize the efficient operation of NYSEG/RG&E's system
- The ESCO/DC fails to comply with the terms of NYSEG/RG&E's Tariff or other agreements with NYSEG/RG&E
- A continued pattern of unauthorized switching (Slamming)

- A court of competent jurisdiction issues an order authorizing discontinuance of the ESCO
- The NY PSC has determined the ESCO is not eligible to sell natural gas to retail customers in the State for reasons including, but not limited to:
  - An ESCO's failure to adhere to the policies and procedures described in its disclosure to customers
  - Failure to comply with prescribed consumer protections
  - An unacceptably high volume of customer complaints
  - Failure to comply with prescribed reporting requirements
  - Failure to comply with oversight requirements
  - Failure to apprise the NY PSC of all material changes in the information in the applicant's initial filing
  - Failure to comply with the voluntary discontinuance requirements, or
  - Failure to comply with other applicable requirements of the NY PSC
- The ESCO/DC fails to (1) pay a bill for imbalances or other charges due; (2) does not pay the bill within ten (10) calendar days after being notified of the non-receipt of payment and the available security is or will be insufficient to cover the amount of default
- Non-Daily Metered customers agree to assignment of ESCO contracts

3. Voluntary Discontinuance of a Direct Customer (DC)

A DC may discontinue securing its own energy supplies by notifying NYSEG/RG&E of its intent to switch to an ESCO or to return to NYSEG/RG&E's applicable sales service. Requirements regarding removal of the recorder and/or continuance of communicating with a metering device can be found in Section D of this manual.

G. DISPUTE RESOLUTION

Dispute resolution procedures are described in the UBP. This process was developed under those guidelines and the appropriate Tariffs for gas service.

The party raising the dispute will first communicate with operating personnel from the opposite party, in good faith, when questions, problems, or complaints arise between ESCO/DCs and NYSEG/RG&E. This is done in an attempt to resolve the matter through informal means, such as telephone conversations or meetings. ESCO/DCs should communicate first with their Supplier Relations Lead Analyst.

NYSEG/RG&E first communicates with the appropriate ESCO/DC employee. The matter will be referred to the Supplier Relations Manager who will serve as the liaison between the Company and the ESCO for any unresolved concerns or issues. The contact phone number may be obtained through the Supplier Relations Lead Analyst. The party raising the dispute will provide to the opposite party (1) a written description of the dispute and (2) a proposed resolution. The opposite party must respond within fifteen (15) business days with an agreement to adhere

to the proposed resolution or with an alternative proposed resolution. The party raising the dispute may request a meeting to further discuss the matter if the initial exchange is inadequate in resolving the dispute. The opposite party must agree to participate in such meetings within fifteen (15) calendar days of the request. The parties may agree to the use of mediation or an alternative dispute resolution process at any time.

Disputed invoices must be paid when due if the dispute involves a billing issue. The money owed will be subject to refund with interest.

Any ESCO/DC who wishes to initiate the dispute resolution process may do so by following the Dispute Resolution Guidelines in the appropriate Tariff.

Section D

Customer Information, Eligibility, & Enrollments

A. CUSTOMER INFORMATION – NYSEG and RG&E

1. Overview

Practices associated with the release of customer data to ESCOs will be in accordance with the rules and requirements established in the UBP, and the guidelines stated in this section. Customer information will be electronically transmitted to an ESCO via EDI transactions.

2. Authorization, Confidentiality and Disclosure

Customer information will be disclosed to an ESCO upon request. ESCOs must follow the authorization procedures identified in the UBP. NYSEG/RG&E can request signed or taped authorization from an ESCO at any time.

An ESCO who obtains customer information must maintain its confidentiality and may not disclose the data to others, unless explicitly authorized by the customer.

An ESCO is responsible for keeping an audit trail documenting customer approval, through either voice recording or other means, in the event the NY PSC requests such evidence. The ESCO must retain the authorization for two (2) years or the length of the contract, whichever is longer.

3. Consumption and Billed History Data

The customer's consumption and billed history information will be provided to the ESCO automatically on a secured portion of the NYSEG and RG&E websites. A customer's unique identifier, referred to as a NYSEG/RG&E Point of Delivery Identification (PoD ID) number must be provided to obtain usage and billing data.

NYSEG/RG&E will provide an authorized ESCO twelve (12) consecutive months (or for the life of the account, whichever is less) of a customer's most recent usage and billing information free of charge via an EDI transaction. This data will include: meter reading dates, consumption, total dollars billed for each billing period, service classification, currently listed tax district, current meter number if applicable, and type of meter reading. Data will be provided for each of the customer's accounts. Available meter information will be provided when more than one (1) meter is associated with an account.

An ESCO may receive an additional twelve (12) months of data (or the life of the account, whichever is less), by initiating a separate request via a secured portion of NYSEG's and RG&E's websites. This information will be provided via an EDI transaction.

An ESCO may also request to receive data beyond twenty-four (24) months through a manual request to a Supplier Relations Lead Analyst. A fee of fifteen dollars ($15) will be charged for data provided beyond the twenty-four (24) months for each additional twelve (12) months, or portion thereof, of information requested.

Information not identified above, if available, will be provided at NYSEG/RG&E's incremental cost.

4. Credit Data

The customer's credit history will be available to the ESCO automatically, on a secured portion of the NYSEG and RG&E websites, when a PoD ID is provided. The credit information will identify whether the customer had late payments and/or had been disconnected. Credit information will be made available free of charge for the most recent twenty-four (24) months. A fee of fifteen dollars ($15) will be charged for each additional twelve (12) months, or portion thereof, of credit information requested and provided.

5. Metered Data

NYSEG/RG&E will make available to ESCOs all data recorded and currently retrieved from their customer meters and all other information necessary to compute the customer's most recent bill.

6. Slamming Prevention

All rules and requirements associated with preventing Slamming as found in the UBP will apply. NYSEG/RG&E sends a confirmation letter to each customer with a verified enrollment. Customers enrolling with an ESCO/DC for both gas and electric service will receive two (2) verification letters.

B. NON-DAILY METERED PROGRAM – NYSEG AND RG&E

1. Customer Eligibility

All customers are eligible for the Non-Daily Metered Program under NYSEG's and RG&E's Tariffs. ESCOs deemed eligible in New York State and who have qualified as Non-Daily Metered ESCOs in NYSEG/RG&E's service territory may aggregate customers at the PoD ID level into pools with a minimum annual usage for the pool of 5,000 Dth. All pools must meet the minimum 5,000 Dth per year requirement by pooling area. All existing pools will be monitored for annual usage and for any pool that drops below 5,000 Dth, ESCOs will be notified and given sixty (60) days to return to the 5,000 Dth threshold. If this cannot be accomplished, the ESCO's Pool will be removed from the retail access program and its customers returned to sales service. ESCOs may serve an individual customer whose annual usage at the PoD ID level is greater than 3,500 Dth.

2. Enrollment and Switching Procedures

A customer may contact the appropriate Customer Call Center (NYSEG or RG&E) to inquire about the Retail Access Program. The customer will be directed to NYSEG's or RG&E's websites for information regarding the associated Retail Access Program and a list of ESCOs serving customers in the NYSEG or RG&E service territories. A Retail Access Program information package may also be sent to the customer, containing a current list of eligible ESCOs. The customer must contact the ESCO directly to request detailed information or enrollment. An ESCO may notify NYSEG/RG&E of a customer's request to (1) switch from

NYSEG/RG&E sales service; or (2) switch from another ESCO, by providing the Company with the customer's PoD ID as well as information about the customer's special needs, if any.

The following steps will be used by an ESCO to transmit an enrollment or switch request to NYSEG/RG&E:

- The customer directly contacts an ESCO that has met the eligibility requirements of the NY PSC and has been approved for participation in the NYSEG/RG&E Retail Access Programs
- The ESCO will electronically submit the enrollment request to NYSEG/RG&E in EDI format when they receive customer authorization
- The notice must be submitted at least ten (10) business days prior to the customer's switch date and contain all required information via the EDI TS814, Switch/Enrollment transaction
- All switches will occur on the customer's scheduled or special meter read date. The switching account will end service with the former provider (ESCO or NYSEG/RG&E) at the end of the gas day on the meter read date and begin service with the new provider (ESCO or NYSEG/RG&E) as of the next day (the meter read date plus one (1) day). An exception will apply in the case of a new installation, (service to new customers is effective after the installation is complete and, if necessary, inspected).

Note: Manual transmission and processing of enrollment data may be required under special circumstances. Contact your Supplier Relations Lead Analyst for assistance if any unusual enrollment situations are encountered.

After receiving an enrollment request, NYSEG/RG&E will:

- Process enrollment requests in the order received
- Verify there are no other enrollments pending for the customer. NYSEG/RG&E will only accept the first valid enrollment request during a switching cycle. Subsequent requests will be rejected
- Acknowledge its receipt within one (1) business day
- Provide a response to the request within two (2) business days. One (1) of two (2) responses will be received; (1) a rejection response with a reason given, or (2) an acceptance response with an effective date
- NYSEG/RG&E will estimate the customer's usage for purposes of billing and balancing during the period in which a switch occurs. ESCO related charges will be based on these estimates
- An Anti-Slamming letter will be generated and mailed to the customer for each valid enrollment received

3. Cancelling a Pending Switch

Customers will be allowed to stop a pending switch up to one (1) business day before the switch is to occur. A letter that confirms the cancellation of the switch will be sent to the customer when they notify the Customer Call Center to stop the switch. ESCOs can send an EDI TS814D Drop Transaction to NYSEG/RG&E to cancel a pending switch. This must be

submitted at least ten (10) business days before the switch date. If it is received less than ten (10) business days before the switch date, the switch will not be cancelled.

An incumbent ESCO can cancel a pending switch by notifying their Supplier Relations Lead Analyst within one (1) business day of the switch date. If the request is made less than one (1) business day prior to the scheduled switch, the customer must remain with the ESCO for at least one (1) monthly billing cycle. ESCOs will then need to send an EDI TS814D Drop Transaction to NYSEG/RG&E to initiate the customer's switch back to the utility.

NYSEG/RG&E will send a drop notice to any incumbent ESCO providing the customer's current service with the effective date when a new enrollment request is accepted. The Company will transmit a request to reinstate service to the incumbent ESCO if the pending enrollment is cancelled. Exception: The customer requests a return to full utility (sales) service or the incumbent ESCO previously terminated service to the customer.

C. DAILY METERED PROGRAM – NYSEG

1. Customer Eligibility

NYSEG customers who choose to participate in the Daily Metered Program must comply with NYSEG's Gas Transportation Service Agreement, based on NYSEG's Tariff. This agreement is mutually binding between NYSEG and the customer to receive, transport, deliver, and in some cases, manage a pre-determined Maximum Daily Transport Quantity (MDTQ) of ESCO-owned gas through specified NYSEG Receipt Points. NYSEG's Gas Transportation Service Agreement may cover more than one (1) Receipt Point as long as they are in the same pooling area.

2. New Customer Enrollment

When a customer wishes to participate in the Daily Metered Program, they must:

- Contact their NYSEG Marketing Account Representative
  - The Marketing Account Representative will work with the customer to complete a New Gas Transportation Customer Information Form and forward it to the Gas Supply Contract Analyst. This form needs to be completed and returned no later than one (1) calendar month and four (4) business days prior the requested start date. Start dates for new customers are restricted to the first day of the month (i.e., for a customer to begin service on September 1, 2014, the form must be completed and returned no later than July, 26, 2014).
- Install a method of communication compatible with the Metretek telemetering device, at the retail customer's expense, by the 20th calendar day of the month prior to the month they are to start service. The NYSEG Marketing Account Representative will notify the appropriate NYSEG personnel to begin the process of installing the Metretek telemetering device. The telemetering device must be operational and able to successfully transmit data five (5) business days prior to the contract start date.

The NYSEG Gas Supply Contract Analyst will create two (2) original Gas Transportation Service Agreements and fax or email them to the customer.

The customer will review, sign, and return the Gas Transportation Service Agreements via mail to NYSEG, 18 Link Drive, Binghamton, NY 13902, Attention: Gas Supply Contract Analyst, or electronically to the contact found in *GTS*.

The signed agreements must be received in NYSEG's Corporate Office by the 20th of the month prior to the Gas Transportation Service Agreement effective start date. The start date will be delayed an additional month if the Gas Transportation Service Agreement is not received by the 20th. NYSEG's Gas Supply Contract Analyst will execute the Gas Transportation Service Agreement and return one (1) original to the customer and keep one (1) on file.

3. Terminating the Service Agreement

The customer will remain in the Gas Transportation Program according to the term set forth in the Transportation Service Agreement. The agreement will automatically continue on a year-to-year basis, unless written notice is provided by either party, thirty (30) days prior to the end of the current term. The last day of the Transportation Service Agreement must be at the end of a month's complete billing cycle.

4. Initiating a Service Switch – New Transportation Customer

An ESCO may notify NYSEG of a customer's request to switch from sales service to transportation service. NYSEG will be provided with a completed Transportation Service Agreement as set forth in the appropriate Tariff. All requirements in the appropriate Tariff must be completed prior to a switch being initiated. All switches will occur on the first day of the calendar month.

5. Initiating a Service Switch – Existing Transportation Customer

An ESCO may notify NYSEG of a customer's request to switch ESCOs via the EDI TS814 Switch transaction or both the ESCO and the customer must notify NYSEG's Billing and Risk Management Analyst of the customer's intention to switch ESCOs by submitting a formal request. This request must be submitted by both the ESCO and customer and must be on the associated company letterhead. The request can be mailed, faxed or emailed to NYSEG and must include effective switch date, customer's PoD ID and bill option (single or dual). NYSEG will confirm receipt of letter, fax or email to the new ESCO. Both the ESCO and customer must notify NYSEG of a customer's request to switch by at least ten (10) business days prior to the switch date. All switches will occur on the first day of the calendar month.

6. Switching and Not Returning to Daily Metered Service

Customers who are switching from and not returning to Daily Metered Service must submit their request at least ten (10) business days prior to the switch date. All switches will occur on the first day of the calendar month.

Customers no longer participating in the Daily Metered Service Program will be notified that their Metretek telemetering device will be removed. The customer must complete the re-qualification process if they wish to re-enroll in the Daily Metered Service Program and the Metretek telemetering device will be re-installed at the customer's expense.

The Metretek telemetering device will be removed within sixty (60) days if:

- A Daily Metered Customer is dropped by their existing ESCO
- The customer switches to Non-Daily Metered with an ESCO
- The customer returns to sales service

The customer will pay the Incremental Gas Supply Charge while on sales service.

7. Frequency of Switches

There is no limit to the number of times a customer may switch, as long as the switch is in accordance to the notice period requirements, specified contract terms or NYSEG's sales service requirements.

8. Special Meter Reading Fees:

A fee of twenty dollars ($20), per customer location, per meter, per read attempt, will be charged to an ESCO or DC requesting that a meter read be performed on a date other than the regularly scheduled meter reading date. This may also apply if NYSEG has to manually read a meter due to a problem obtaining a read via the Metretek telemetering device that is caused by customer owned equipment.

D. DAILY METERED PROGRAM – RG&E

1. Eligibility

Customers whose annual usage is 3,500 Dth or more at one (1) PoD ID are eligible for service under RG&E's Daily Metered Program. Customers who wish to enroll in Daily Metered service are to contact RG&E's Marketing Account Representative.

2. New Customer Enrollments

The RG&E Marketing Account Representative will coordinate the actions necessary to transfer the customer to Daily Metered service. All services under this classification will be initiated on the first calendar day of the month. The customer must have a Metretek telemetering device installed with a compatible method of communication, at the retail customer's expense, by the 20th calendar day of the month prior to the month that they are to start service. The RG&E Marketing Account Representative will notify the appropriate RG&E personnel to begin the process of installing the Metretek telemetering device.

3. Initiating a Service Switch – New Transportation Customer

An ESCO may notify RG&E of a customer's request to switch from sales service to transportation service. All switches will occur on the first day of the calendar month. Requirements identified in the appropriate Tariffs will need to be completed prior to a switch being initiated.

4. Initiating a Service Switch – Existing Transportation Customer

RG&E must be notified of a customer's request to switch ESCOs via a letter or email from both the customer and the ESCO. This letter must be submitted at least ten (10) business days prior to the switch date. All switches will occur on the first day of the calendar month. The ESCO may also notify RG&E of a customer's request to switch via the EDI TS814 Switch transaction.

5. Switching and Not Returning to Daily Metered Service

Customers who are switching from and not returning to Daily Metered Service must submit their request at least ten (10) business days prior to the switch. All switches will occur on the first day of the calendar month.

Customers no longer participating in the Daily Metered Service Program will be notified and their Metretek telemetering device will be removed. The customer must complete the re-qualification process if they wish to re-enroll in the Daily Metered Service Program and the Metretek telemetering device will be re-installed at the customer's expense.

The Metretek telemetering device will be removed within sixty (60) days if:

- A Daily Metered Customer is dropped by their existing ESCO
- The customer switches to Non-Daily Metered with an ESCO
- The customer returns to sales service

The customer will pay the Incremental Gas Supply Charge while on sales service.

6. Frequency of Switches – Daily Metered Customers

There is no limit to the number of times a customer may switch as long as the switch is in accordance to the notice period requirements, specified contract terms or RG&E's sales service requirements.

7. Special Meter Reading Fees:

A fee of twenty dollars ($20), per customer location, per meter, per read attempt, will be charged to an ESCO or DC requesting that a meter read be performed on a date other than the regularly scheduled meter reading date. This may also apply if RG&E has to manually read a meter due to a problem obtaining a read via the Metretek telemetering device that is caused by customer owned equipment.

E. DAILY METERING – NYSEG & RG&E

1. Overview

Customers must have a Metretek telemetering device that has been installed by NYSEG/RG&E prior to beginning service under the NYSEG/RG&E Daily Metered transportation rate. A cost estimate will be provided to the customer for approval before the installation is scheduled. Voice Over Internet Protocol (VOIP) telephone lines are not compatible with Metretek telemetering devices and cannot be supported by NYSEG/RG&E.

2. Metering Options/Specifications

New Customer – Landline:

- The customer is responsible for having a dedicated, non-VOIP telephone line installed by the 20th calendar day of the month prior to the month they are to start service.
- Telephone line maintenance and repair charges will be at the customer's expense.
- NYSEG/RG&E is responsible for any telemetering device maintenance, repairs, and replacements due to faulty equipment.

New Customer – Wireless:

- The wireless option is dependent upon the availability of reliable service, as determined by NYSEG/RG&E, at the applicable Metretek location. In areas where reliable wireless service is not available, a dedicated telephone line will be required.
- The wireless contract is between NYSEG/RG&E and Metretek.
- The customer is responsible for installing a compatible method of communication with the Metretek telemetering device by the 20th calendar day of the month prior to the month they are to start service.
- The customer will be responsible for all upfront installation charges per unit.
- NYSEG/RG&E is responsible for any telemetering device maintenance, repairs, and replacements due to faulty equipment.

Existing Customer – Converting from Landline to Wireless:

- The wireless contract is between NYSEG/RG&E and Metretek.
- The equipment will be replaced at NYSEG/RG&E's discretion, and will be based upon available resources and Company schedule.
- A customer is required to have and maintain Alternating Current (AC) Power Supply at the Metretek location.
- NYSEG/RG&E is responsible for any conversion costs, telemetering device maintenance, repairs, and replacements due to faulty equipment.
- If the customer has existing landline telephone equipment that fails to communicate due to the customer switching to a VOIP phone line, the customer is required to switch to wireless telemetering equipment at their expense.

3. Temporary Removal of the Recorder

A Daily Metered Gas Transportation Customer has the following two (2) options when the recorder needs to be removed for a period of time (i.e., in a construction situation where the equipment might hinder the work and/or might be damaged during the construction process):

- **Continue on the Gas Transportation Program –** The customer will continue to be billed at its applicable gas transportation rate and remain in its ESCO's Pool. Transportation base rates, will apply even if gas usage is zero (0) for the billing month. No usage information will be available to post to *GTS*. NYSEG/RG&E will arrange for a first of the month physical meter read for each month during which there is no recorder installed. A fee will be charged for this read on a per visit, per meter basis. When the customer's temporary removal period has ended, NYSEG/RG&E, upon notification from the customer, will reinstall the recorder at no charge to the customer. This status will be evaluated in the event the temporary removal period continues for longer than one (1) year.
- **Return to NYSEG/RG&E's sales service –** The recorder will be removed from the customer's location within sixty (60) days and the customer's gas transportation account will be terminated. If the customer elects to return to gas transportation service after the temporary removal period has ended, the customer will be required to pay new telemetering installation charges. The customer will pay the Incremental Gas Supply Charge during this time.

4. Daily Meter Read Issues

NYSEG/RG&E will notify the ESCO or customer if the usage is not transmitted due to a Metretek telemetering device or communication failure. The ESCO and their customer are responsible for providing a read to NYSEG/RG&E by 10 a.m. ET on weekdays. NYSEG/RG&E has the right to obtain a special meter read if the ESCO or customer fails to provide a read on weekdays. A fee will be charged for this read on a per visit, per meter basis. Providing meter reads on weekends or holidays is optional. NYSEG/RG&E will estimate usage for those days if no read is provided. In the event the problem continues for more than thirty (30) days NYSEG/RG&E has the right to either correct the problem at the customer's expense, or discontinue service on the Daily Metered rate, unless otherwise agreed to by both parties. The Metretek telemetering device will be removed sixty (60) days after the customer has discontinued service under the Daily Metered rate. The customer will follow new customer procedures if/when they are eligible to return to the Daily Metered rate.

Daily meter read and usage data is provided for each customer in an ESCO's pool within *GTS*.

Missing or corrected meter reads are updated daily in *GTS*. Intraday information is provided in *GTS* for the period from 10 a.m. ET to 2 p.m. ET for the current Gas Day. The intraday usage is provided for informational purposes only. The intraday reads and associated usage are not used for imbalances, cashout, or billing purposes. Missing and/or incorrect intraday information is not updated. Accurate pool imbalance data can be found in *GTS*.

Section E
Communication Protocol

A. COMMUNICATING WITH NYSEG/RG&E

This section describes the methods by which information regarding the Natural Gas Retail Access Program is communicated. The goal is to provide a means of efficient and effective communication between all parties involved. All individuals may access the following types of information/links at **www.nyseg.com** and **www.rge.com**:

- How to Become a Natural Gas ESCO
- Eligible Natural Gas ESCOs
- Forms and Agreements
- Natural Gas Transportation Manual
- Contact Information
- Service Area
- Meter Read Schedules
- Electronic Data Interchange Information
- Pricing and Tariffs
- Choosing Your Energy Supplier

1. Gas Tracking System (*GTS*)

NYSEG/RG&E provides *GTS* to allow ESCOs/DCs to nominate gas, view customer information, usage and ESCO invoices, as well as obtain forecasts. This system is available for both NYSEG and RG&E at: **www.iusa.gastrackingsystem.com**

Any individual may use the *GTS* home page and its gas-related links. All other screens relating to the Natural Gas Retail Access Program will require an assigned login ID and password.

Throughout the Gas Day, ESCO/DCs can find operational data posted and exchanged on *GTS* such as:

- Nominations, scheduled and confirmed deliveries
- Customer usage and daily imbalances
- Changes in load forecast and system constraints
- Messages such as System Alerts and Operational Flow Orders (OFO)
- Archived notices

2. Secured Website

A link is provided to ESCO/DCs to access secured services. ESCO/DCs can access customer credit, usage history and customer files. This link requires a login ID and password which may be obtained by going to the contact list provided on the *GTS* website.

3. **Questions Relating to Gas Nominations, Deliveries and Imbalances**

   ESCO/DCs can contact a member of the Gas Supply Group. Contact information is provided on the *GTS* website. The backup to these individuals is the Supervisor – Gas Supply.

4. **Questions Relating to Daily Metered Customer Billing**

   ESCO/DCs can contact an Analyst in the Billing and Risk Management Group. The appropriate contact information is posted within *GTS*.

5. **All Other Customer Service Issues**

   ESCO/DCs can contact the Supplier Relations Department for all other customer service issues. A Supplier Relations Lead Analyst will be assigned to each ESCO/DC. Each Analyst will ensure their accessibility by providing their schedule on a daily voice mail greeting, and providing other contact phone numbers if they will not be in the office or are otherwise unavailable. If an ESCO/DC is still unable to reach anyone, the Manager – Supplier Relations may be contacted.

B. CONTACT INFORMATION ESCO/DCS PROVIDE TO NYSEG/RG&E

The ESCO/DC will be required to keep contact information current in *GTS*. Each ESCO/DC will notify NYSEG/RG&E of personnel changes as they occur. Each ESCO/DC and Daily Metered Customer will provide NYSEG/RG&E with current names, addresses, email address, fax numbers, and telephone numbers of the contact person responsible for gas deliveries and for responding to System Alerts and Operational Flow Orders. Some contacts will be required in order for the ESCO to receive important notifications from NYSEG/RG&E.

C. CRITICAL PERIOD COMMUNICATIONS

NYSEG will commence daily communication with all Interruptible Transportation Service Customers (Service Class 2 and 3) as soon as weather forecasts project outside temperatures to be 20 degrees or below for the upcoming three consecutive days or during times when three days of consecutive customer interruptions occur.

Details regarding System Alerts, Operational Flow Orders (OFOs) and Load Curtailments are fully described in Section J of this manual. All such notices will be posted on the *GTS* website as well as instructions as to what actions need to be taken.

D. GAS MARKETER OPERATING GROUP (GMOG)

NYSEG/RGE will host annual GMOG meetings and/or teleconferences prior to the winter heating season or as needed with ESCO/DC's to share and elicit feedback on the Natural Gas Retail Access Programs. The meetings are intended to address a wide range of issues that impact the relationship between NYSEG/RG&E and the ESCO/DCs including updates on changes to the companies' gas capacity supply portfolios.

Section F

NYSEG Non-Daily Metered Customers

A. INTRODUCTION – NYSEG

The Non-Daily Metered Program provides firm transportation service of customer-owned, pipeline quality, odorized gas from NYSEG designated delivery points to facilities at the customer's metering point (burner tip). This is applicable to:

- Residential Firm Aggregation Transportation Service (Service Classification No. 13),
- Non-Residential Firm Aggregation Transportation Service (Service Classification No. 14),
- Non-Residential Distributed Generation Firm Transportation Service (Service Classification No. 16), and
- Residential Distributed Generation Firm Aggregation Transportation Service (Service Classification No. 19).

All ESCO pools must meet the minimum requirement of 5,000 Dth per year. For Service Classification No. 16 customers, the generating units must have a generating capacity of less than 50 MW and maintain a load factor of 50% or more.

B. BALANCING SERVICES

NYSEG offers balancing service for the Non-Daily Metered Program as follows:

1. **Daily Aggregated Volume (DAV) Program**

   DAV Balancing is a process whereby the ESCO is obligated to nominate and deliver the predetermined DAV. NYSEG determines the DAV for each ESCO pool using a consumption algorithm based on the degree day forecast for that day. The DAV program is mandatory for the NYSEG Pooling areas of Columbia, Tennessee, Iroquois, Algonquin, and Algonquin O&R.

2. **DTI Citygate Swing Service (CSC) Program**

   CSC Balancing is a daily process whereby the ESCO utilizes its DTI No Notice Storage assets and associated transportation capacity to accommodate the difference between the Estimated Total Usage (ETU) of the ESCO's customers and the gas nominated by the ESCO to NYSEG's system. This difference may be either positive (injection) or negative (withdrawal). It is the responsibility of the ESCO to determine the daily delivery quantity to meet the usage requirement of its customer pool. NYSEG will prepare a daily estimate for each CSC pool to assist ESCOs with the delivery quantity determination.

   An ESCO serving Non-Daily Metered customers in the DTI Pooling area must choose the DAV or the DPO/CSC program and can update this choice annually.

3. In addition, NYSEG will release DTI capacity to ESCOs serving Non-Daily Metered Customers in the NCPL Pooling area. ESCOs will receive the balancing option that is consistent with their current NYSEG Non-Daily Metered DTI Pool (either DAV or DPO/CSC) for nomination and balancing purposes. For an ESCO that does not have a NYSEG Non-Daily Metered DTI Pool the balancing option for their NCPL customers must be DAV.

C. DELIVERY DETERMINANTS

1. Usage Factor Calculations

Capacity requirements and releases will be based on the Maximum Daily Pool Quantity (MDPQ) requirement of the ESCO for the customers in the ESCO's pool for the month at the citygate. The Maximum Daily Transportation Quantity (MDTQ) for each customer is calculated using the Base and Winter Usage Factors for the entire year.

The usage factor calculations (consumption algorithm) are based on 24-months, if available, of the customer's actual usage history and defaults to the following if actual usage for the customer is not available:

- Calculation based on the prior tenant's actual usage
- Class Average factors

Note: Customer reads and estimated reads are considered actual meter reads.

The dates used to calculate the seasonal usage factors are as follows:

Base Usage Factor	June 1 – September 30
Winter Usage Factor	November 1 – March 31
Summer Usage Factor	April 1 – October 31

The following formulas are used to calculate seasonal usage factors:

- Base Usage Factor: (Total base therms / # days in base period)
- Winter and Summer Usage Factors:

  (Total season therms – (base usage factor * # days of season use)) / (Σ actual HDD for season)

2. Estimated Total Usage (ETU)/Daily Aggregation Volume (DAV) Calculation

The calculation is based on calendar days for the following seasons:

- Winter: November 1 to March 31
- Summer: April 1 to October 31

The following formulas are used to calculate ETU/DAV at the citygate:

Winter ETU/DAV	=	*[(Base usage factor + (Winter usage factor * HDD forecast * Constant)) * FA]*
Summer ETU/DAV	=	*[(Base usage factor + (Summer usage factor * HDD forecast * Constant)) * FA]*

Note: ETUs/DAVs are calculated daily based on current HDD forecast data up to 66 HDDs.

FA = Factor of Adjustment (refer to NYSEG's Monthly Natural Gas Statements)

Constant Table – used to adjust the usage factor for the month.

Month	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Constant	1.00	1.00	1.00	1.00	1.00	0.25	0.00	0.00	0.65	0.90	0.95	1.00

3. MDTQ Calculations

The following formulas are used to calculate Maximum Daily Transportation Quantities (MDTQ):

- For billing the Non-Daily Metered Transportation Monthly Balancing Service (DAV Balancing Only):
  MDTQ = *[(Base usage factor + (Winter usage factor * 75 HDD)) * FA]*
- For capacity requirements (NYSEG DAV and DTI DPO/CSC Balancing Service):
  MDTQ = *[(Base usage factor + (Winter usage factor * 66 HDD)) * FA]*

D. CAPACITY REQUIREMENTS

1. Determination of Capacity Requirements

The Maximum Daily Aggregation Pool Quantities (MDAPQ) will be calculated on the 8th last business day of the month and will be the sum of all customer MDTQs in an ESCO's pool at that time based on sixty-six (66) Heating Degree Days (HDD).

2. Capacity Release Retail Access Program

a. Mandatory Capacity Release

ESCOs who serve Non-Daily Metered customers on NYSEG's system (Mandatory Capacity Release Customers) must have firm, non-recallable, primary delivery point capacity sufficient to meet sixty-six (66) HDD of load.

An ESCO shall be required to take primary point capacity from NYSEG each month of the year to serve such customers peak day (66 HDD) needs unless the ESCO has Grandfathered Capacity to serve such customers (see item E of this section).

NYSEG will release recallable, firm primary point transportation and storage capacity as outlined in the following chart. The capacity that is released is not re-releasable by the ESCO.

NYSEG Capacity Release Receipt & Delivery Points

Pooling Area		Tariff Rate	Capacity %*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
1	**TGP**					
	Transport (Empire)	FTNN	79%		Corning (22008810)	Royalton (012004010)
	Storage Transport	FT-A	21%		N. Storage (460018)	Lockport (420221)
	Storage	FS-MA		90		N. Storage (460018)
2	**Columbia**					
	Transport	FTS	35%		Leach (801) @ 100%	Binghamton (21)
					Leach (801) @ 100%	Olean (52)
	Storage Transport ***	SST	65%		STOW	Binghamton (21)
	Storage	FSS		61.61904		STOW
	Columbia Gulf	FTS1	100%		Rayne (2700010)	Leach (801)
3	**DTI**					
	Transport	FTNN	53%		Oakford (40208)	20700
	Storage Transport ****	FTNNGSS	47%		DTI Storage Pt. (10002)	20700
	Storage	GSS		54	DTI Storage Pt. (10001)	DTI Storage Pt. (10002)
4	**AGT**					
	AGT	AFT1/ AFT2	100%		Brookfield (00251)	Southeast (00084)
5	**IGT**					
	IGT	RTS12	100%		Waddington (67707)	Brookfield (68098)
6	**NCPL – ESCO Released DTI Capacity**					
	Transport	FTNN	53%		Oakford (40208)	20700
	Storage Transport ****	FTNNGSS	47%		DTI Storage Pt. (10002)	20700
	Storage	GSS		54	DTI Storage Pt. (100°01)	DTI Storage Pt. (10002)

NYSEG Capacity Release Receipt & Delivery Points						
Pooling Area		Tariff Rate	Capacity %*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
7	**O&R**					
	No Capacity Released on O&R - NYSEG moves ESCO AGT delivery at Stony Point on NYSEG O&R contract					

* *Capacity % is applied to ESCO peak day (75 HDD for daily/66 HDD for non-daily customers)*

** *Multiply storage transport (MDQ result by the # of days for SCQ (storage capacity quantity)*

*** *TCO SST MDQ is half of the winter MDQ during April - Sept*

**** *Not available during the summer (April - October)*

b. Weighted Average Cost of Capacity (WACOC)

NYSEG shall release capacity at a system wide WACOC to ESCOs serving Non-Daily Metered customers. NYSEG shall calculate a WACOC, effective April 1 of each year for the subsequent twelve (12) month period based on the NYSEG's upstream portfolio of capacity assets. If in any month the actual WACOC should differ from the calculated WACOC by more than five percent (5%), NYSEG will reset the capacity release rate. A WACOC Statement setting forth the annual rate will be filed with the Public Service Commission on not less than thirty (30) day's notice.

c. Infield Transfer of Storage Gas to ESCOs – NYSEG DTI DPO/CSC Balancing Service Only

For the DTI DPO/CSC Program, storage assets are released to an ESCO in conjunction with the CSC Balancing Service after the commencement of the storage injection season (April 1 of each year). NYSEG will transfer a quantity of gas in storage equivalent to a pro-rata share of gas that NYSEG has acquired to serve migrated customers. The quantity of gas transferred will be equal to the storage capacity released, multiplied by a percentage representing the planned degree to which NYSEG's DTI storage will be filled at the beginning of the month for which the release is made.

The ESCO will be charged:

- NYSEG's weighted average commodity cost of gas in storage multiplied by the quantity of gas transferred, PLUS
- A contribution to storage capacity costs (CSCC), calculated in accordance with NYSEG's Monthly Natural Gas Statements.

d. Infield Transfer of Storage Gas to NYSEG – NYSEG DTI DPO/CSC Balancing Service Only

The ESCO will transfer to NYSEG, an amount of gas equal to the returned storage capacity, multiplied by a percentage representing NYSEG's planned storage level at the time the return is made, in the event that an ESCO's load declines. The ESCO must procure an amount of gas in storage and make it available for immediate withdrawal by NYSEG to meet this requirement, if the ESCO does not have a quantity of gas in storage equal to the above-calculated amount. This gas must be transferred to NYSEG's account on the first calendar day of the appropriate month. The ESCO will be subject to a penalty of $2.50/therm/day for each therm of required storage gas not available to NYSEG, if the ESCO does not transfer

the required gas in storage on the first calendar day of the appropriate month. The ESCO will be invoiced by NYSEG for each infield transfer during the month the transfer is made. The charges will be displayed on the ESCO's bill.

e. Storage Transfer Percentages – NYSEG DTI DPO/CSC Balancing Service Only

Based on NYSEG's seasonal plan, the percent full for each month is:

Month	NYSEG DTI Percent Full
November	95%
December	90%
January	66%
February	37%
March	17%
April	N/A*
May	11%
June	30%
July	49%
August	64%
September	76%
October	89%

** No transfers on April 1*

E. GRANDFATHERED CAPACITY

As of September 1, 2007, any ESCO providing primary point deliverability on an upstream pipeline(s) at the receipt point(s) designated by NYSEG for Mandatory Capacity Release Customers will be allowed to do so at the established customer enrollment level for each ESCO.

The volumetric level of grandfathering will be reviewed annually, on April 1, starting in 2009 to adjust for any reductions in the level of customer load served by the ESCO in the past thirteen (13) months. If the change in the volumetric level of grandfathered primary point deliverability is 500 Dth from the current level the grandfathered primary point deliverability for the ESCO will be reduced to the new level identified in the prior thirteen (13) months. The level of grandfathered primary point deliverability will not be increased unless the ESCO purchases the entire book of customers from another ESCO. An ESCO using its own primary point deliverability to meet some or all of its customers' requirements may pass those grandfathered rights on as a package when it sells its entire customer book to another ESCO.

F. PRIMARY POINT CAPACITY REQUIREMENTS

1. Affidavits

An ESCO supplying gas to firm transportation Core Customers must sign an affidavit annually, by August 1 that attests to the following:

- The ESCO has, one (1) or more executed contract(s) in place for the winter period to meet the full requirements of the NYSEG's firm transportation Core Customers on NYSEG's system.
- These contracts are:
  - Non-recallable, firm primary point delivery capacity at the point(s) of interconnection designated by NYSEG, and/or
  - NYSEG recallable, firm primary point delivery capacity at the point(s) of interconnection designated by NYSEG, and/or
  - Firm supplies delivered at the point(s) of interconnection designated by NYSEG.

2. Proven Capacity

All contracts, excluding pricing provisions, sufficient in detail for NYSEG to determine the adequacy of the contracts to satisfy the requirements of the ESCO's core firm customers must be attached to the affidavit. Additional contracts may be required by NYSEG to satisfy changes in the ESCO's core firm transportation customers enrolled during the five (5) winter months (November through March) of each year. The process to determine the amount of primary firm capacity needed will be based on the MDTQ calculation found under "Determination of Capacity Requirements" section of this manual. Capacity must be secured to at least the nearest liquid trading point. ESCOs being released Empire capacity must provide a firm supply contract with a reliable counter-party for delivery to Empire at Corning.

NYSEG will determine compliance and inform the ESCOs of any problems, if needed, within ten (10) business days after receipt of the affidavit and supporting contracts stating specifically what additional information is needed. The ESCOs will provide the additional information within five (5) business days and NYSEG will respond, if needed, to the ESCOs within five (5) more business days after receiving the additional information. If the matter still remains in dispute, then the dispute resolution process outlined in the UBP will be used.

NYSEG also reserves the right to require an ESCO to provide any necessary supporting documentation, at any time, to verify that an ESCO has firm primary delivery point capacity.

Penalties for falsely presenting an affidavit or supporting documentation may include discontinuance of an ESCO's right to serve customers, suspension to operate on NYSEG's system for a period of time, and/or economic sanctions as may be determined by the NY PSC, a New York State Court of Law, or NYSEG.

NYSEG Designated Receipt Points for Proven Capacity

The following are acceptable upstream receipt points for the applicable NYSEG pooling areas:

Dominion Pooling Area:	Appalachian, Cornwell, Oakford, Lebanon, South Webster
Columbia Pooling Area:	Appalachian, Broad Run, Leach, CGT Mainline
Tennessee Pooling Area:	TGP Production Area Points, TCPL/Dawn-Empire
Iroquois Pooling Area:	Waddington
Algonquin Pooling Area:	Brookfield

G. NOMINATIONS – NYSEG DAV AND DTI DPO/CSC BALANCING SERVICE

1. Nominations Procedures – NYSEG DAV Balancing Service

ESCOs will be responsible for providing nominations and scheduling on the pipeline, on behalf of customers, as set forth below, for the NYSEG DAV Balancing Service. An ESCO may have only one (1) Aggregation Pool per Pooling Area, subject to the operational limitations of NYSEG's system.

ESCOs are obligated to nominate and deliver the Daily Aggregated Volume (DAV). NYSEG will determine the $ETU_{forecast}$ for each Aggregation Pool using usage factors and the HDD forecast for that day. The maximum degree days to be used in determining the DAV will be sixty-six (66). Aggregation Pool requirements for degree days exceeding sixty-six (66) will be supplied by NYSEG.

NYSEG will communicate, daily, the $ETU_{forecast}$ to the ESCO for the current plus six (6) days in *GTS*. NYSEG will communicate to each ESCO for each Aggregation Pool the $ETU_{forecast}$ according to the following schedule:

- The $ETU_{forecast}$ applied for a day will be communicated to the ESCO two (2) hours prior to NYSEG's nomination deadline for that. On any day that NYSEG does not communicate an $ETU_{forecast}$, the $ETU_{forecast}$ for the most recent communication will apply.
- NYSEG may issue an intra-day $ETU_{forecast}$ to be effective at the time specified by NYSEG. However, the effective time will be at least one (1) hour before the next intra-day nomination deadline on the upstream pipeline.

ESCOs will nominate according to the following:

- The ESCO will provide a daily nomination no later than the deadline of the upstream pipeline for the next gas day.
- In the event that NYSEG transmits an $ETU_{forecast}$ on a weekend or holiday, nomination changes will be accepted by NYSEG.

The quantity of gas received by NYSEG for the ESCO's aggregation pool will equal the volume delivered on the upstream pipeline.

Nominations must be entered into *GTS*. For questions on the use of *GTS* and the electronic nominations process, contact your Supplier Relations Lead Analyst.

2. Nominations Procedures – NYSEG DTI DPO/CSC Balancing Service

ESCOs will be responsible for providing nominations and scheduling to DTI, on behalf of ESCOs' customers, as set forth below. An ESCO may have only one (1) Aggregation Pool per Pooling Area, subject to the operational limitations of NYSEG's system.

NYSEG will provide to the ESCO the $ETU_{forecast}$ for each day using usage factors and HDDs based on the degree day forecast for that day. The maximum HDD to be used in determining the $ETU_{forecast}$ will be sixty-six (66). NYSEG will provide this estimate for advisory purposes only and makes no warranty, expressed or implied, as to the accuracy of the $ETU_{forecast}$. The ESCO is solely responsible for determining the amount of gas to be delivered to NYSEG's citygate. Aggregation Pool requirements for degree days exceeding the 66 HDD will be supplied by NYSEG.

NYSEG will communicate, daily, the $ETU_{forecast}$ to the ESCO for the current plus subsequent six (6) gas days, in *GTS*. NYSEG will communicate to each ESCO for each Aggregation Pool the $ETU_{forecast}$ applied for a day by 9 a.m. Eastern Time (ET) each day. On any day that NYSEG does not communicate an $ETU_{forecast}$, the $ETU_{forecast}$ for the most recent communication will apply.

NYSEG will rerun and communicate a new $ETU_{forecast}$ for the current plus subsequent six (6) gas days in *GTS* on a best efforts basis when a significant change in the weather forecast occurs.

This will be performed as soon as updated information is received, but no later than 2 p.m. ET. ESCOs are responsible for checking *GTS* periodically for notices of these changes.

ESCOs will nominate on DTI in accordance with the terms and conditions set forth in the DTI FERC rate schedules.

FOR APRIL 1 THROUGH OCTOBER 31 ONLY – In the event the ESCO's $ETU_{forecast}$ exceeds the amount of firm transportation capacity (FTNN) held by the ESCO at the ESCO's CSC meter, and the ESCO has nominated their full contractual entitlement to the citygate, the ESCO may nominate the additional quantity of gas to NYSEG's DPO meter (#20700) using other, non-CSC capacity. The ESCO must notify NYSEG, via email and a telephone call, the contract number and volume scheduled at the DPO meter. NYSEG shall report CSC measurements to DTI that reflect the actual usage minus the DPO scheduled volume. It is the ESCO's responsibility to ensure sufficient deliveries of gas to meet the ETU_{actual} up to 66 HDD.

The quantity of gas received by NYSEG for the ESCO's Aggregation Pool will equal the volume delivered by the upstream pipeline.

Nominations must be entered into *GTS* . For questions on the use of *GTS* and the electronic nominations process, contact your Supplier Relations Lead Analyst.

3. Nominations Deadlines

All ESCO nominations must be entered in *GTS* by 2 p.m. ET for the following gas day. Saturday, Sunday and Monday nominations are due on Friday by 2 p.m. ET. Holiday and business days following a holiday nominations are due at 2 p.m. ET on the business day prior to the holiday.

In addition, all ESCO nominations must conform to the North American Energy Standards Board (NAESB) nominations rules, as applicable. Shown below is the NAESB Nomination Cycle.

NAESB Nomination Cycle

Type of Nom	Nom Deadline		Flow Effective		New Volume
Timely Nom	Day 0	2 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Evening Nom	Day 0	7 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Intra-day 1	Day 1	11 a.m. ET	Day 1	3 p.m. ET	Decreased Volume: New nom must be at least 5/24 of original nom, since gas has flowed 5 hours. Increased Volume: No upper limit
Intra-day 2	Day 1	3:30 p.m. ET	Day 1	7 p.m. ET	Decreased Volume: New nom must be at least 9/24 of original nom, since gas has flowed 9 hours. Increased Volume: No upper limit
Intra-day 3	Day 1	8 p.m. ET	Day 1	11 p.m. ET	Decreased Volume: New nom must be at least 13/24 of original nom, since gas has flowed 13 hours. Increased Volume: No upper limit

ET = Eastern Time

Last time to change nom, i.e., last deadline, is 8 p.m. ET of that Gas Day

*Example: If timely nom - 4,800 then the lowest intra-day 1 Nom is 5 * 4,800 / 24 = 1,000.*

4. *GTS* Nomination Changes

Nominations which do not match the upstream pipeline will be revised in *GTS*. The ESCO will be contacted to revise their nominations that do not meet system constraints or local system balancing constraints. NYSEG may have the nomination at the citygate cut by the pipeline if the nomination is not revised on the upstream pipeline.

5. NYSEG Holidays

NYSEG's holidays can be found in *GTS*.

H. BALANCING OF RECEIPTS AND DELIVERIES – NYSEG DAV AND DTI DPO/CSC BALANCING SERVICE

1. NYSEG DAV Balancing Service

ESCOs, on behalf of customers, will be required to take service under NYSEG Service Classification No. 11, "Non-Daily Metered Transportation Monthly Balancing" to meet daily variations between the Daily Aggregated Volume (DAV) (citygate imbalance calculations) and the actual usage of the Aggregation Pool (reconciliation of volumes).

ESCOs will act on behalf of Aggregation Pool customers for balancing receipts and deliveries on NYSEG's distribution system as set forth below. ESCOs will be responsible for all imbalance charges (i.e., cash-outs, fees, penalties, etc.). A positive citygate imbalance occurs when the quantity of gas received at the citygate exceeds the quantity of gas nominated to the citygate (i.e., the DAV). A negative citygate imbalance occurs when the quantity of gas nominated to the citygate (i.e., the DAV) exceeds the quantity of gas received at the citygate.

a. Cash-outs

Any difference between the ESCO's DAV for an Aggregation Pool and the receipts on the upstream pipeline to the appropriate receipt point(s) (i.e., the citygate imbalance) will be cashed out by NYSEG to the ESCO. The cash-out calculations detailed below will be based on the following citygate imbalance pricing components:

Aggregation Pooling Area	Citygate Imbalance Pricing Components
AGT (Algonquin)	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
TCO (Columbia)	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
DTI (Dominion)	a. DTI South Point midpoint; plus b. DTI variable and fuel.
IGTS (Iroquois)	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
NCPL (North Country)	a. DTI South Point midpoint; plus b. DTI variable and fuel.
O&R (Orange & Rockland)	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
TGP (Tennessee)	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

b. Citygate Imbalance Calculations – NYSEG DAV Balancing Service

- Citygate imbalances of ±2% or less will be cashed-out as follows:

  1. Negative citygate imbalances will be assessed a charge of the sum of the:
     a. Average (i.e., midpoint) price of the daily price index, plus
     b. Pipeline variable and fuel costs, for the applicable Aggregation Pooling Area as detailed in the table above, and
     c. Applicable citygate imbalance quantity $1.00 per therm.
  2. Positive citigyate imbalances will be assessed a credit of the sum of the:
     a. Average (i.e., midpoint) price of the daily price index, plus
     b. Pipeline variable and fuel costs, for the applicable Aggregation Pooling Area as detailed in the table above, and
     c. Applicable citygate imbalance quantity

- Negative Citygate imbalances greater than 2% will be assessed a charge of the sum of the:

  1. Midpoint price per therm of the daily price index for the applicable Aggregation Pooling Area, plus
  2. Pipeline variable and fuel costs, as detailed in the table set forth above, and
  3. $1.00 per therm

- Positive Citygate imbalances greater than 2% will be assessed a charge of the sum of the:

  1. $1.00 per therm, less
  2. The midpoint price per therm of the daily price index for the applicable Aggregation Pooling area, as detailed in the table set forth above

- **During an OFO** issued to address **under deliveries**, negative city gate imbalances will be assessed a charge of the sum of:

  1. The midpoint price per therm of the daily price index for the applicable Aggregation Pooling Area, plus
  2. The pipeline variable and fuel costs and
  3. $2.50 per therm.

- **During an OFO** issued to address **over deliveries**, positive city gate imbalances will be assessed a charge of the sum of:

  1. $2.50 per therm less
  1. The midpoint price per therm of the daily price index for the applicable Aggregation Pooling Area

2. NYSEG DTI DPO/CSC Balancing Service

a. Imbalances

ESCOs, on behalf of customers in the DTI pooling area, will have the choice to take service under NYSEG's Service Classification No. 18, "Dominion Citygate Swing Customer Balancing Service." Under this service the ESCO will be subject to the rates, terms, and conditions set forth in the DTI FERC rate schedules DPO and CSC to meet daily variations between the gas nominations and the ETU_{actual} provided to DTI. ESCOs are also required to assume all rights, responsibilities, and obligations for the capacity released including the Minimum Turnover obligation on DTI GSS Storage.

ESCOs will act on behalf of Aggregation Pool customers for balancing receipts and deliveries on NYSEG's distribution system as set forth in the DTI FERC rate schedules DPO and CSC. ESCOs will be responsible for all charges (i.e., cash-outs, fees, penalties, etc.). No citygate imbalances are billed to the ESCO by NYSEG.

For the NCPL Pooling area, the ESCO will receive the balancing option that is consistent with their DTI Pool (either DAV or DPO/CSC). If an ESCO does not have a DTI Pool, their balancing option for their NCPL customers must be DAV.

b. CSC Measurement to DTI – NYSEG DTI DPO/CSC Balancing Service

The CSC measurement will be the ETU_{actual} at the citygate less DPO meter, if applicable. This CSC measurement will be reported to DTI by 5 p.m. ET for the gas day ending at 10 a.m. ET. The ESCO's imbalance will be available each day by 5 p.m. ET in *GTS*.

I. RECONCILIATIONS

1. Reconciliations of Volumes

Volumes received by NYSEG on a customer's behalf, based on the DAV or the ETU_{actual} (according to balancing service) will be reconciled to volumes actually delivered by NYSEG to the customer. This reconciliation will occur monthly for each customer and will be based on a customer's actual scheduled meter read.

NYSEG will compare the DAV or the ETU_{actual} and the actual consumption for the period. For each day that a difference (adjustment) exists, the cash-out applied to that adjustment will be the previous 30-day rolling average of the midpoint index price plus variable transportation charges to the NYSEG's citygates. The relevant indices are listed below. The ESCO will be charged or credited by NYSEG for the cumulative daily adjustment quantity.

Aggregation Pooling Area	Citygate Imbalance Pricing Components
AGT (Algonquin)	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
TCO (Columbia)	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
DTI (Dominion)	a. DTI South Point midpoint; plus b. DTI variable and fuel.
IGTS (Iroquois)	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
NCPL (North Country)	a. DTI South Point midpoint; plus b. DTI variable and fuel.
O&R (Orange & Rockland)	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
TGP (Tennessee)	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

2. Reconciliations for Switches on Meter Read Date – Capacity, Commodity and Balancing

Customer switches will take place on a customer's scheduled meter read date. If the switch takes place prior to the 8th last business day of the month, the customer will appear in the new provider's (ESCO or LDC) pool for the following month. If the switch takes place after the 8th last business day of the month, it will take an additional month for the customer to appear in the new provider's (ESCO or LDC) pool. For any customer switches that occur during the gas month, the former provider (ESCO or LDC) will be credited for the following:

- The DAV/ETU_{actual} daily volumes on each day for those days after the customer has switched multiplied by the appropriate pooling area standby commodity rates as stated in NYSEG's Monthly Natural Gas Statements.
- The capacity held, on a pro-rata basis, during the period of the current month that the customer has switched multiplied by the pipeline monthly capacity demand rate for the appropriate pooling area for the appropriate gas month.
- The monthly balancing demand charge (for DAV Pools only), on a pro-rata basis, for switches that occur during the month but are not reflected in the ESCO pool until the following month multiplied by the monthly balancing demand charge rate for the appropriate pooling area and appropriate gas month.

Likewise, the new provider (ESCO or LDC) will be billed on a daily basis for the following:

- The DAV/ETU_{actual} daily volumes on each day for those days after the customer has switched multiplied by the appropriate pooling area standby Commodity Rates as stated in NYSEG's Monthly Natural Gas Statements.
- The capacity held, on a pro-rata basis, during the period of the current month that the customer has switched multiplied by the pipeline monthly capacity demand rate for the appropriate pooling area for the appropriate gas month.
- The monthly balancing demand charge (for DAV Pools only), on a pro-rata basis, for switches that occur during the month but are not reflected in the ESCO pool until the following month multiplied by the monthly balancing demand charge rate for the appropriate pooling area and appropriate gas month.

The daily credits/charges for this reconciliation are accumulated daily and billed monthly.

Section G

RG&E Non-Daily Metered Customers

A. INTRODUCTION – RG&E

The Non-Daily Metered Program provides firm transportation service of customer-owned, pipeline quality, odorized gas from RG&E designated delivery points to facilities at the customer's metering point (burner tip). This is applicable to:

- Service Classification No. 5 – Small Transportation,
- Service Classification No. 7 – Firm Gas Transportation for Distributed Generation Facilities < 5MW, and
- Service Classification No. 9 – Residential Distributed Generation Gas Transportation Service.

All ESCO pools must meet the minimum requirement of 3,500 Dth per year for a customer or 5,000 Dth per year for a group of customers.

B. BALANCING SERVICE – DTI/CITYGATE SWING SERVICE (CSC) PROGRAM

The DTI DPO/CSC Program is mandatory for RG&E. CSC Balancing is a daily process whereby the ESCO utilizes its DTI No Notice Storage assets and associated transportation capacity to accommodate the difference between the Estimated Total Usage (ETU) of the ESCO's customers and the gas nominated by the ESCO to RG&E's system. This difference may be either positive (injection) or negative (withdrawal). It is the responsibility of the ESCO to determine the daily delivery quantity to meet the usage requirement of its customer pool. RG&E will prepare a daily estimate for each CSC pool to assist ESCOs with the delivery quantity determination.

C. DELIVERY DETERMINANTS

1. Usage Factor Calculations

Capacity requirements and releases will be based on the Maximum Daily Pool Quantity (MDPQ) requirement of the ESCO for the customers in the ESCO's pool for the month at the citygate. The Maximum Daily Transportation Quantity (MDTQ) for each customer is calculated using the Base and Winter Usage Factors for the entire year.

The Usage Factor calculations (consumption algorithm) are based on 24 months, if available, of the customer's actual usage history and defaults to the following if actual usage for the customer is not available.

- Calculation based on the prior tenant's actual usage.
- Class Average factor

Note: Customer reads and estimated reads are considered actual meter reads.

The dates used to calculate the seasonal usage factors are as follows:

Base Usage Factor	June 1 – September 30
Winter Usage Factor	November 1 – March 31
Summer Usage Factor	April 1 – October 31

To calculate seasonal usage factors the following formulas are used:

- Base Usage Factor:
  (Total base therms / # days in base period)
- Winter and Summer Usage Factors:
  *((Total season therms – (base usage factor * # days of season use)) / (Σ actual HDD for season)*

2. Estimated Total Usage (ETU) Calculations

The calculation is based on calendar days for the following seasons:

Winter	November 1 – March 31
Summer	April 1 – October 31

The following formulas are used to calculate an ETU at the citygate:

- Winter ETU = *[(Base usage factor + (Winter usage factor * HDD forecast * Constant)) * FA]*
- Summer ETU = *[(Base usage factor + (Summer usage factor * HDD forecast * Constant)) * FA]*

Note: ETUs are calculated daily based on current HDD forecasted and actual data up to 66 HDDs.

FA = Factor of Adjustment (refer to RG&E's Monthly Natural Gas Statements).

Constant Table – Used to adjust the usage factor for the month.

Month	Jan	Feb	Mar	April	May	Jun	July	Aug	Sept	Oct	Nov	Dec
Constant	1.00	1.00	1.00	1.00	1.00	0.25	0.00	0.00	0.65	0.90	0.95	1.00

3. MDTQ Calculations

The following formulas are used to calculate Maximum Daily Transportation Quantities (MDTQ):

MDTQ = *[(Base usage factor + (Winter usage factor * 66 HDD * Constant)) * FA]*

D. CAPACITY REQUIREMENTS

1. Determination of Capacity Requirements

The Peak Day Quantity (PDQ) will be calculated on the 8th last business day prior to the upcoming month and will be the sum of all of the current accounts in the ESCO's pool at that time.

2. Capacity Release Retail Access Program

a. Mandatory Capacity Release

ESCOs who serve Non-Daily Metered customers must have firm, non-recallable, primary delivery point capacity sufficient to meet sixty-six (66) Heating Degree Days (HDD) of load.

An ESCO shall be required to take primary point capacity from RG&E each month of the year to serve such customers' peak day (66 HDD). RG&E will release recallable, firm primary point transportation and storage capacity as outlined in the following chart. The mix of transportation and storage assets allocated shall provide for RG&E's operational distribution system requirements, including but not limited to, maintaining the appropriate ratio of storage supply to flowing supply.

ESCOs are required to assume all rights, responsibilities and obligations for the capacity released including the Minimum Turnover obligation on DTI GSS Storage. The capacity release shall be recalled if the ESCO fails to perform. The capacity that is released is not re-releasable by the ESCO.

RG&E Capacity Release Receipt & Delivery Points

Pooling Area		Tariff Rate	Capacity%*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
1	**DTI**					
	Transport	FTNN	22.58%		Oakford (40208)	20600
	Transport	FT	4.63%		DTI NP	20600
	Transport	FTNNGSS***	28.56%		10002	20600
	Storage	GSS		40	DTI Storage Pt. (10001)	10002
2	**Empire**					
	Transport	FTNN	30.13%		Chippawa 12000010	Mendon 120001010
	Transport	FTNN	14.10%		Tuscarora	Mendon 120001010
	Storage	FSNN		60 days expires on March 31, 2017 68.238 days effective April 1, 2017	Empire Storage Pt.	Empire Storage Pt.
3	**TCPL**					
	Transport	FT	12.0%		St. Clair	Chippawa

* *Capacity % is applied to ESCO peak day (75 HDD daily metered/66 HDD non-daily metered)*

** *Multiply storage transport MDQ result by the # of days for SCQ (Storage Capacity Quantity)*

*** *Not available during the summer (Apr-Oct).*

b. Infield Transfer of DTI Storage Gas to the ESCO

RG&E will transfer a quantity of DTI gas in storage to the ESCO equivalent to a pro-rata share of gas that RG&E has acquired to serve migrated customers. For DTI storage assets released to the ESCO in conjunction with the CSC Balancing Program after the commencement of the storage injection season (April 1 of each year), the quantity of gas transferred will be equal

to the storage capacity released multiplied by a percentage representing the planned degree to which RG&E's DTI storage will be filled at the beginning of the month for which the release is made.

The ESCO will be charged:

- RG&E's weighted average commodity cost of gas in storage, multiplied by the quantity of gas transferred, PLUS
- A contribution to storage capacity costs calculated in accordance with RG&E's Tariff.

A spreadsheet containing the infield transfer cost calculations may be found on RG&E's website at **www.rge.com**.

c. Infield Transfer of DTI Storage Gas to RG&E

In the event an ESCO's load declines, the ESCO will transfer to RG&E an amount of gas equal to the returned storage capacity, multiplied by a percentage representing RG&E's planned storage level at the time the return is made. If the ESCO does not have a quantity of gas in storage equal to the above calculated amount, the ESCO must procure an amount of gas in storage and make it available for immediate withdrawal by RG&E to meet this requirement. This gas must be transferred to RG&E's account on the first calendar day of the appropriate month. If the ESCO does not transfer the required gas in storage on the first calendar day of the appropriate month, then the ESCO will be subject to a penalty of $2.50/therm/day of required storage gas not available to RG&E.

The ESCO will be invoiced by RG&E for each infield transfer each month the transfer is made. There will be an ESCO credit associated with the return of storage capacity to RG&E. The charges will display on the ESCO's bill.

d. Transfer of Empire Tuscarora Storage

1. **One-time November 1, 2015 Transfer**
   On November 1, 2015, or as soon as practical thereafter, RG&E will transfer to the ESCO a quantity of gas on Empire equivalent to a pro-rata share of gas that RG&E 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 representing the planned degree to which RG&E'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 RG&E 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.

2. **Transfer of Storage Gas and Capacity to RG&E – Special Provision for Buy/Sell Back**
   In the event that the customer migration increases or decreases significantly, or due to an ESCO leaving and/or entering the service territory, RG&E reserves the right to buy or sell the gas in Empire storage from the ESCO, at the Weighted Average Cost of Storage Gas (WACOSG2).

e. RG&E Storage Transfer Percentages

Based on RG&E's seasonal plan, the percent full for each month is:

Month	Storage Percent Full
November	95%
December	90%
January	70%
February	37%
March	17%
April	N/A*
May	14%
June	32%
July	49%
August	64%
September	76%
October	89%

**No Transfers on April 1*

E. PRIMARY POINT CAPACITY REQUIREMENTS

1. Affidavits

An ESCO supplying gas to firm transportation Core Customers must sign an affidavit annually by August 1st that attests to the following:

There is in place, for the winter period, one (1) or more executed contract(s) to meet the full requirements of the RG&E's firm transportation Core Customers on RG&E's system. These contracts are: (1) for non-recallable, firm primary point delivery capacity at the point(s) of interconnection designated by RG&E, and/or (2) for RG&E recallable, firm primary point delivery capacity at the point(s) of interconnection designated by RG&E, and/or (3) for firm supplies delivered at the point(s) of interconnection designated by RG&E.

2. Upstream Capacity Requirements

To accommodate for the difference in released assets between Empire and TCPL, the ESCO must demonstrate it has non-recallable primary point capacity to the nearest liquid trading point on DTI, TCPL (Dawn) or a firm supply contract with a reliable counterparty for delivery to Empire at Chippawa or a point downstream of Chippawa. The amount of capacity that must be demonstrated is the quantity equal to the difference in released assets between Empire and TCPL.

F. NOMINATIONS

1. Delivery Constraints for Nominations

Two (2) upstream pipelines feed RG&E's gas distribution system, Empire State Pipeline, and DTI. There must be a balance between the amount of gas delivered to the system on each of the pipelines to ensure reliable operation of RG&E's distribution system. The following tables show the current system delivery constraints at the various load levels for winter and summer seasons. These constraints will change over time as load on RG&E's distribution system changes and as upstream pipeline operating constraints change.

Winter Season – November 1 – April 30

Total Nominated Load (MDT)	Maximum Nomination on Empire Pipeline (%)	Minimum Nomination on Empire Pipeline (%)	Maximum Nomination on DTI Pipeline (%)	Minimum Nomination on DTI Pipeline (%)
< 150	84	0	100	16
> 150 - ≤ 225	84	0	100	16
> 225 - ≤ 275	85	0	100	15
> 275 - ≤ 300	85	3	97	15
> 300 - ≤ 325	85	7	93	15
> 325 - ≤ 350	83	9	91	17
> 350 - ≤ 375	81	15	85	19
> 375 - ≤ 400	80	20	80	20
> 400 - < 425	78	23	77	22
> 425 - ≤ 450	77	28	72	23
> 450 - ≤ 475	75	32	68	25
> 475 - ≤ 500	73	32	68	27
> 500 - ≤ 525	73	34	66	27
> 525	71	36	64	29

Summer Season – May 1 – October 31

Total Nominated Load (MDT)	Maximum Nomination on Empire Pipeline (%)	Minimum Nomination on Empire Pipeline (%)	Maximum Nomination on DTI Pipeline (%)	Minimum Nomination on DTI Pipeline (%)
< 50	90	0	100	10
> 50 - ≤ 125	93	0	100	7
> 125 - ≤ 225	94	0	100	6
> 225 - ≤ 275	95	0	100	5
> 275 - ≤ 300	95	3	97	5

All ESCOs serving Non-Daily Metered customers must meet system constraints every day. RG&E will provide the daily system load forecast to ESCOs for the current gas day plus the six (6) following days. This information will be provided to ESCOs via *GTS* each business day by 9 a.m. ET. ESCOs then look up the system constraints that apply to the season and the load level for the next Gas Day System Load Forecast. Nominations must be made in accordance with the constraints in effect for a particular day.

For purposes of this procedure, the winter season is defined as the period from November 1 through April 30, and the summer season as May 1 through October 31.

2. Nominations Procedures

ESCOs will be responsible for providing nominations and scheduling, on behalf of ESCO's customers, as set forth below.

RG&E will provide to the ESCO the Estimated Total Usage Forecast ($ETU_{forecast}$) for each day using usage factors based on the degree day forecast for that day. The maximum HDD to be used in determining the $ETU_{forecast}$ will be sixty-six (66). RG&E will provide this estimate for advisory purposes only and makes no warranty, expressed or implied, as to the accuracy of the $ETU_{forecast}$. The ESCO is solely responsible for determining the amount of gas to be delivered to RG&E's citygate.

Each day, RG&E will communicate the $ETU_{forecast}$ to the ESCO for the current plus subsequent six (6) gas days in *GTS*, RG&E will communicate to each ESCO for each Non-Daily Metered Pool the $ETU_{forecast}$ by 9 a.m. ET each day. On any day that RG&E does not communicate an $ETU_{forecast}$, the $ETU_{forecast}$ for the most recent communication will apply.

RG&E will rerun and communicate a new $ETU_{forecast}$ for the current plus subsequent six (6) gas days in *GTS*, on a best efforts basis, when a significant change in the weather forecast occurs. This will be performed as soon as updated information is received, but no later than 2 p.m. ET. ESCO's are responsible for checking *GTS* notices for these changes.

ESCOs will nominate on DTI in accordance with the terms and conditions set forth in the DTI FERC rate schedules.

ESCOs must enter an "information only" nomination in *GTS* using the Planned Storage Quantity contract to show the portion of their pool's usage that they expect to withdraw (positive numbers) or inject (negative numbers) using their DTI no-notice storage assets. The contract identifier is FTNNGSS. If no nominations are scheduled for that day, then the ESCO must enter a nomination of zero (0). These nominations are required for RG&E to ensure the system constraints are met. In addition, the ESCO's nominations may not meet the system constraints test unless such informational nominations are entered. RG&E will not confirm these informational nominations and they will not be included in the scheduled deliveries total. No nomination for withdrawal and/or injection from storage is necessary on DTI's E-Script since it is a no-notice service.

The quantity of gas received by RG&E for the ESCO's SC5 Pool will equal the volume delivered on the upstream pipeline (DTI or Empire).

For questions on the use of *GTS* and the electronic nominations process, contact your Supplier Relations Lead Analyst.

3. Nominations Deadlines

All ESCO nominations for SC5 pools must be entered in *GTS* by 2 p.m. Eastern Time (ET) for the following gas day. Saturday, Sunday and Monday nominations are due on Friday by 2 p.m. ET. Holiday and business days following a holiday nominations are due at 2 p.m. ET on the business day prior to the holiday.

All ESCO nominations must conform to the North American Energy Standards Board (NAESB) nomination rules, as applicable. Shown below is the NAESB Nomination Cycle.

NAESB Nomination Cycle

Type of Nom	Nom Deadline		Flow Effective		New Volume
Timely Nom	Day 0	2 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Evening Nom	Day 0	7 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Intra-day 1	Day 1	11 a.m. ET	Day 1	3 p.m. ET	Decreased Volume: New nom must be at least 5/24 of original nom, since gas has flowed 5 hours. Increased Volume: No upper limit
Intra-day 2	Day 1	3:30 p.m. ET	Day 1	7 p.m. ET	Decreased Volume: New nom must be at least 9/24 of original nom, since gas has flowed 9 hours. Increased Volume: No upper limit
Intra-day 3	Day 1	8 p.m. ET	Day 1	11 p.m. ET	Decreased Volume: New nom must be at least 13/24 of original nom, since gas has flowed 13 hours. Increased Volume: No upper limit

ET = Eastern Time

*Last time to change nom, i.e., last deadline, is 8 p.m. ET of that Gas Day. Intra-day 1 Nom cannot be zero (0). Example: If timely nom = 4,800 then the lowest intra-day 1 Nom is 5 * 4,800 / 24 = 1,000.*

4. *GTS* Nomination Changes

Nominations which do not match the upstream pipeline will be revised in *GTS*. The ESCO will be contacted to revise their nominations that do not meet system constraints or local system balancing constraints. RG&E may have the nomination at the citygate cut by the pipeline if the nomination is not revised on the upstream pipeline.

5. Company Holidays

RG&E's holidays can be found in *GTS*.

G. BALANCING OF RECEIPTS AND DELIVERIES

1. RG&E DTI DPO/CSC Balancing Service

ESCOs, on behalf of customers, will be required to take service under RG&E SC 5, "Dominion Citygate Swing Customer Balancing Service." The ESCO will be subject to the rates, terms, and conditions set forth in the DTI FERC rate schedules DPO/CSC. ESCOs will be responsible for all charges (cash outs, fees, penalties, etc.). No citygate imbalances are billed to the ESCO. If the DPO operator (RG&E) incurs any penalties caused by an ESCO, the offending ESCO will be charged the penalty.

2. CSC Measurement to DTI

RG&E will calculate the CSC measurement as follows:

- ETU_{actual} at the citygate less nomination on Empire pipeline.
- This CSC measurement will be reported to DTI by 5 p.m. ET for the gas day ending at 10 a.m. ET. The ESCO's imbalance will be available each day by 5 p.m. ET in *GTS*.

A Negative CSC measurement occurs if the nomination on the Empire pipeline is greater than the ETU_{actual}. In the event there is a negative CSC measurement, the CSC measurement reported to DTI will be adjusted for any negative CSC measurement (in accordance with PSC No. 16 – Gas) as described below.

H. RECONCILIATIONS

1. Reconciliations of Volumes

A calculation of Estimated Total Usage Actual (ETU_{actual}) will be performed using the same process as is used for forecasting, but using actual weather and usage factors for the gas day being settled and any updated ESCO-customer relationship information.

If an ESCO's CSC Measurement is negative (i.e. ESCO delivers more gas on the Empire System than their ETU_{actual}), all gas associated with the negative CSC measurement will be cashed out and a zero (0) measurement will be reported to DTI.

The resulting imbalance between the ETU_{actual} and citygate deliveries adjusted for any negative CSC measurement is used to calculate the CSC measurement that is reported to DTI.

An adjustment process is performed to reconcile the ETU_{actual} with monthly-metered usage for each PoD ID. The day after each cycle bills (twenty (20) cycles per month), the metered consumption data for those PoD IDs billed (about 5% of total SC1 and SC5 PoD IDs) per billing cycle is compared to the ETU_{actual} for those PoD IDs for all the days in the billing period. The difference between the ETU_{actual} and metered usage (actual or estimated) is the adjustment. The cumulative daily adjustments are stored in *GTS* during the month.

ESCOs can view their cumulative daily adjustment quantity and the cash-out rate in *GTS*.

On a monthly basis, RG&E will charge or credit the ESCOs for the cumulative daily adjustment quantity. The cash-out rate for each day's adjustments is the previous 30-day rolling average of the average of:

- The Dawn, Ontario midpoint index price as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Mendon citygate on Empire Pipeline, and
- The Appalachia, Dominion, South Point midpoint index price as published in the Platts Gas Daily Publication, Daily Price Survey, plus variable transportation charges to the Caledonia citygate on DTI Pipeline.

The ESCO will be invoiced for these charges or credits.

2. Reconciliations for Switches on Meter Read Date – Capacity and Commodity

Customer switches will take place on a customer's scheduled meter read date. If the switch takes place prior to the 8th last business day of the month, the customer will appear in the new provider's (ESCO or LDC) pool for the following month. If the switch takes place after the 8th last business day of the month, it will take an additional month for the customer to appear in the new provider's (ESCO or LDC) pool. For any customer switches that occur during the gas month, the former provider (ESCO or LDC) will be credited the following:

- The ETU_{actual} daily volumes on each day for those days after the customer has switched multiplied by the average of the Dawn, Ontario midpoint index price as published in the Platts *Gas Daily* Publication plus variable transportation charges on Empire Pipeline to the Mendon citygate, and the Appalachia, Dominion South Point midpoint index price as published in the Platts *Gas Daily* Publication plus variable transportation charges on Dominion Transmission to the Caledonia citygate.
- The capacity held, on a pro-rata basis, during the period of the current month that the customer has switched multiplied by the pipeline monthly capacity demand rate for the appropriate gas month.

Likewise, the new provider (ESCO or LDC) will be billed on a daily basis for the following:

- The ETU_{actual} daily volumes on each day for those days after the customer has switched multiplied by the average of the Dawn, Ontario midpoint index price as published in the Platts *Gas Daily* Publication plus variable transportation charges on Empire Pipeline to the Mendon citygate, and the Appalachia, Dominion South Point midpoint index price as published in the Platts *Gas Daily* Publication plus variable transportation charges on Dominion Transmission to the Caledonia citygate.
- The capacity held, on a pro-rata basis, during the period of the current month that the customer has switched multiplied by the pipeline monthly capacity demand rate for the appropriate gas month.

The daily credits/charges for this reconciliation are accumulated daily and billed monthly.

Section H
NYSEG Daily Metered Customers

A. INTRODUCTION

The Daily Metered Program provides firm or interruptible transportation service of customer-owned, pipeline quality, odorized gas from NYSEG designated delivery points to facilities at the customer's metering point (burner tip). This is applicable to:

- Firm Transportation Service (Service Classification No. 1),
- Interruptible Transportation Service (Service Classification No. 2),
- Incremental Interruptible Transportation Service (Service Classification No. 3),
- Small Firm Transportation Service (Service Classification No. 5),
- Transportation Service for Fueling of Natural Gas Vehicles (Service Classification No. 6),
- Firm or Limited Firm Negotiated Transportation Service (Service Classification No. 7), and
- Basic Electric Generation Transportation Service (Service Classification No. 15).

B. DELIVERY DETERMINANTS

1. Usage Factor Calculations

Capacity requirements and releases will be based on the Maximum Daily Pool Quantity (MDPQ) requirement of the ESCO for the customers in their pool for the month at the citygate. The Maximum Daily Transportation Quantity (MDTQ) for each customer is calculated based on the following, using the Base and Winter Usage Factors for the entire year:

The dates used to calculate the seasonal usage factors are as follows:

Base Usage Factor	July 1 – August 31
Winter Usage Factor	November 1 – March 31
Summer Usage Factor	April 1 – October 31

To calculate seasonal usage factors the following formulas are used:

- Base Usage Factor:
  (Total base therms / # days in base period)
- Winter and Summer Usage Factors:
  *(Total season therms – (base usage factor * # days of season use)) / (Σ actual HDD for season)*

For Space Heating Customers (more than 50% of customer usage is experienced November 1 through March 31), three (3) years of the most recent historical usage will provide the basis for developing a base usage factor and seasonal Heating Degree Day (HDD) usage factors. In the event three (3) years of history is not available, a minimum of one (1) year of historical usage will be used. The MDTQ for customers with less than one (1) year of historical usage will be determined on a case by case basis. For process load customers, the peak day is determined based on the highest usage for a given winter day (November 1 – March 31) over the last five (5) years times the factor of adjustment.

2. MDTQ Calculations

The MDTQ will be calculated as follows:

- MDTQ = *[(Base Usage Factor + (Winter Usage Factor * 75 HDD)) * FA]*

C. ANNUAL MDTQ REVIEW

Each Daily Metered Transportation Customer, and the current ESCO, will receive pertinent information regarding the development and establishment of a customer's new winter and summer MDTQs no later than May 1st of the year in which the annual review is performed. The newly established annual MDTQ will be effective July 1. The customer and current ESCO will have thirty (30) days from the receipt of this information to contest the MDTQs established by NYSEG. The absence of a response by a Daily Metered Transportation Customer and/or its current ESCO within this designated time frame will be considered acceptance of the quantities as established by NYSEG, and therefore, the completion of the review process.

NYSEG will work with any Daily Metered Transportation Customer and current ESCO that contests the MDTQ, within the designated time frame provided above, and will respond within fifteen (15) days of receipt. NYSEG's response may indicate, if appropriate, any agreed upon adjustments to the newly established MDTQs, which would thereby complete the review process. The dispute resolution process in the UBP will be utilized in the event contested MDTQ is not resolved informally during the review process described above.

In the event a customer exceeds its MDTQ on any given gas day, the MDTQ will be reset at the higher level at the start of the next billing cycle and remain at that level until changed during the next Annual Review. Monthly reviews of customer usage exceeding the established season's MDTQ will occur on the tenth (10th) business day prior to the first of the next month. The review will be based on usage between the tenth (10th) business day before the end of the previous month and the eleventh (11th) business day before the end of the current month. The new MDTQ will be effective on the first (1st) day of the next month. Customers and their current ESCO will be notified prior to the first (1st) of each month of any changes to established MDTQs.

Capacity requirements will be based on the Maximum Daily Pool Quantity (MDPQ) at the citygate. The MDPQ will be the sum of all Core Customers' winter MDTQs within the Pooling Area. Core Customers are those customers without NYSEG's Sales Reservation Service, without a viable alternate fuel, and the portion of a customer's load that is not taking NYSEG's Standby Service.

The volume used in billing the Daily Balancing Demand Charge will be the Maximum Daily Pool Quantity (MDPQ) for the applicable season at the citygate. The following adjustments will be made in calculating this volume:

- Customers taking NYSEG's Sales Reservation Service – the customer's applicable season's MDTQ will be removed from the MDPQ,
  and

- Customers who have reduced natural gas usage for the applicable billing period - such that the customer's Peak Day usage for the billing period is less than or equal to 20% of the customer's established seasonal MDTQ – the MDPQ will be reduced by the sum of the difference between the established MDTQ and the Peak Day usage for each customer.

During the Annual Review, if a customer's newly calculated MDTQ is lower than the current MDTQ and that current MDTQ is the result of a reset during the previous twelve (12) months, NYSEG will adjust the newly calculated MDTQ to equal the current MDTQ less 10% of the newly calculated MDTQ. If the difference between the newly calculated MDTQ and the current MDTQ is 10% or less, the newly calculated MDTQ will be used.

During the Annual Review process, NYSEG may also request updated information regarding customer contacts, customer elections (i.e., standby, sales reservation), and alternate fuel status to maintain an accurate gas flow under all weather and delivery conditions. It is imperative that all customers respond to information requests in a timely fashion, in order to maintain an uninterrupted supply of gas to their facilities or to handle required interruptions if the account is interruptible.

D. UPSTREAM CAPACITY REQUIREMENTS

1. Capacity Release Retail Access Program

a. Mandatory Capacity Release

An ESCO serving a Mandatory Capacity Release Customer shall be required to take primary point capacity from NYSEG every month of the year to serve such customers' peak day needs, unless the ESCO has Grandfathered Capacity to serve such customers as described below (Grandfathered ESCO-Supplied Capacity). The capacity that is released is not re-releasable by the ESCO.

b. Olean Customers

Any customer in Cattaraugus County (also referred to as "Olean"), requesting firm transportation service under NYSEG's Tariff and was a firm sales customer on or after November 2, 1995 will take an assignment of upstream pipeline transportation. The quantity of upstream pipeline transportation capacity assigned will be sufficient to meet the customer's MDTQ. At the customer's request, capacity may be directly assigned to the customer's ESCO.

c. Capacity Release Receipt and Delivery Points

NYSEG will release firm, recallable primary deliverability on an upstream pipeline(s) at the receipt point(s) designated by NYSEG as detailed on the following chart:

NYSEG Capacity Release Receipt & Delivery Points

Pooling Area		Tariff Rate	Capacity %*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
1	**TGP**					
	Transport (Empire)	FTNN	79%		Corning (22008810)	Royalton (012004010)
	Storage Transport	FT-A	21%		N. Storage (460018)	Lockport (420221)
	Storage	FS-MA		90		N. Storage (460018)
2	**Columbia**					
	Transport	FTS	35%		Leach (801) @ 100%	Binghamton (21)
					Leach (801) @ 100%	Olean (52)
	Storage Transport***	SST	65%		STOW	Binghamton (21)
	Storage	FSS		61.619041		STOW
	Columbia Culf	FTS-1	100%		Rayne (2700010)	Leach (801)
3	**DTI****					
	Transport	FTNN	53%		Oakford (40208)	20700
	Storage Transport*****	FTNNGSS	47%		DTI Storage Pt. (10002)	20700
	Storage	GSS		54	DTI Storage Pt. (10001)	DTI Storage Pt. (10002)
4	**AGT**					
	Transport	AFT1/ AFT2	100%		Brookfield (00251)	Southeast (00084)
5	**IGT**					
	Transport	RTS12	100%		Waddington (67707)	Brookfield (68098)
6	**NCPL**					
	No Capacity Released on NCPL. NYSEG moves ESCO delivery at Napierville on NYSEG's NCPL contract and invoices ESCO the capacity surcharge					
7	**O&R**					
	No Capacity Released – NYSEG moves ESCO AGT delivery to Goshen/Walden areas on NYSEG O&R contract ESCO Charged O&R Capacity Surcharge					

* *Capacity % is applied to ESCO peak day.*

** *Multiply storage transport MDQ result by the # of days for SCQ (Storage Capacity Quantity).*

*** *TCO SST MDQ is half of the winter MDQ during April - Sept.*

**** *Capacity Surcharge applies to DTI deliveries serving Mechanicville customers via NYSEG's NIMO/National Grid contract.*

***** *Not available during the summer (Apr-Oct).*

d. WACOC

NYSEG shall release capacity at a system-wide WACOC to ESCOs serving Mandatory Capacity Release Customers. NYSEG shall calculate a WACOC, effective April 1 of each year for the subsequent twelve (12) month period based on NYSEG's upstream portfolio of capacity assets. If in any month the actual WACOC should differ from the calculated WACOC by more than five percent (5%), NYSEG will reset the capacity release rate. A WACOC Statement setting forth the annual rate will be filed with the Public Service Commission on not less than thirty (30) day's notice.

2. Grandfathered Capacity

As of September 1, 2007, any ESCO providing primary point deliverability on an upstream pipeline(s) at the receipt point(s) designated by NYSEG for Mandatory Capacity Release Customers will be allowed to do so at the established customer enrollment level for each ESCO.

ESCO providing primary point deliverability (aka "Grandfathered Capacity") for Mandatory Capacity Release Customers on upstream pipeline(s) at the receipt point(s) designated by NYSEG will be allowed to continue to do so, at the established customer enrollment level for each ESCO.

The volumetric level of grandfathering will be reviewed annually on April 1 of each year to adjust for any reductions in the level of customer load served by the ESCO in the past thirteen (13) months. If the change in the volumetric level of grandfathered primary point deliverability is 500 Dth below the current level, the grandfathered primary point deliverability for the ESCO will be reduced to the new level identified in the prior thirteen (13) months. The level of grandfathered primary point deliverability will not be increased unless the ESCO purchases the entire book of customers from another ESCO. An ESCO using its own capacity to meet some or all of its Mandatory Capacity Release Customer requirements may pass those grandfathered rights on as a package only when it sells its entire customer book to another ESCO.

3. Primary Point Capacity

ESCOs serving customers without alternate fuel capability and are not Critical Care (Human Needs) Customers must sign an affidavit by August 1 of each year that they shall have contracted for a sufficient amount of firm, non-recallable, primary point capacity to NYSEG's citygate during the months of November through March, to meet the MDPQ of those customers. Sufficient capacity will be retained by the ESCO to meet the requirements of current and future Core Customers as they may change from time to time. The amount of capacity secured must be equal to the customer's MDTQ, as determined by NYSEG, plus NYSEG system losses and pipeline fuel, if any. Capacity must be secured to at least the nearest liquid trading point.

An ESCO may designate customers as firm secondary for those Core Customers for which the ESCO cannot demonstrate firm capacity. The ESCO must notify the customers and NYSEG in writing that the customers have been designated as firm secondary and may be subject to interruption. For customers being designated as firm secondary, the customer and the

ESCO may agree to specific demand reductions. Such agreements will not reduce the MDTQ used for billing purposes, or in any way limit NYSEG's ability to impose restrictions otherwise provided for pursuant to NYSEG's Tariff.

If an ESCO serving Non-Critical Care Customers without alternate fuel cannot make the demonstration detailed above, the customer must either:

- Elect "Sales Reservation Service" or "Standby Sales Service" for a one (1) year period if NYSEG has sufficient capacity available to offer such service,
  or
- Be designated as firm secondary.

A customer may terminate their "Sales Reservation Service" or "Standby Sales Service" status after the end of the one (1) year period, provided the requirements set forth above have been satisfied.

The following are acceptable upstream receipt points for the applicable NYSEG pooling areas:

- Dominion Pooling Area: Appalachian, Cornwell, Oakford, Lebanon, TCPL/Dawn-Empire*
- Columbia Pooling Area: Appalachian, Broad Run, Leach, CGT Mainline
- Tennessee Pooling Area: TGP Production Area Points, TCPL/Dawn-Empire
- Iroquois Pooling Area: Waddington
- Algonquin Pooling Area: Brookfield

**DTI-Empire (Delivery Point at Arcadia) can only be used to serve the Geneva District. ESCOs serving customers south of the Packwood Road valve may not use Empire Capacity as proof of Primary Point Capacity for those customers.*

NYSEG will determine compliance and inform the ESCOs of any problems, if needed, within ten (10) business days after receipt of the affidavit and supporting contracts stating specifically what additional information is needed. The ESCOs will provide the additional information within five (5) business days and NYSEG will respond, if needed, to the ESCOs within five (5) more business days after receiving the additional information. If the matter still remains in dispute, then the dispute resolution process outlined in the UBP will be used.

Customers with alternate fuel capacity shall be required to demonstrate to NYSEG they have alternate fuel capability to meet their MDTQ. Such alternate fuel capability shall be required to handle an extended outage for a period of at least five (5) days. The customer will be responsible to provide annual proof or certification that the equipment has been tested.

NYSEG also reserves the right to require an ESCO to provide any necessary supporting documentation, at any time, to verify that an ESCO has firm primary delivery point capacity.

The intentional falsification of an affidavit may result in the termination of the business relationship between NYSEG and the appropriate ESCO and could result in civil and criminal penalties. All customers of the ESCO will revert to NYSEG's Sales Service or may transfer to other ESCOs using the procedures described in NYSEG's Tariff and in the UBP.

4. Capacity Surcharge

ESCO/DCs serving Daily Metered Customers in the Goshen Area, Champlain Area, Plattsburgh District and Mechanicville District will be assessed a Capacity Surcharge. The Capacity Surcharge will reflect the costs incurred by NYSEG to transport customer's supplies on intermediary Local Distribution Companies or intrastate pipelines.

5. Voluntary Capacity Release

Monthly requests for NYSEG Capacity, if available, will be assigned based on the following priorities:

- Core Post 11-2-95 Daily Metered Non-Mandatory Customer's MDTQs.
- Core Pre 11-2-95 Daily Metered Non-Mandatory Customer's MDTQs

If requests for capacity within these priority bands exceed the amount available, ESCOs will receive a prorated share of capacity requested.

E. NOMINATIONS

1. Nominations Procedures

All nominations for Daily Metered pools will be entered into *GTS*. Each ESCO will nominate gas by pipeline Pooling Area. NYSEG will not accept nominations in excess of the Pool Operator's MDPQ at the citygate.

2. Nomination Deadlines

All daily metered nominations must be entered into *GTS* by 2 p.m. Eastern Time (ET) for the following gas day. Saturday, Sunday and Monday nominations are due on Friday by 2 p.m. ET. Holiday and business days following holiday nominations are due at 2 p.m. ET on the business day prior to the holiday.

All ESCO nominations must conform to the North American Energy Standards Board (NAESB) nominations rules, as applicable. Below is the NAESB Nomination Cycle.

NAESB Nomination Cycle

Type of Nom	Nom Deadline		Flow Effective		New Volume
Timely Nom	Day 0	12:30 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Evening Nom	Day 0	7 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Intra-day 1	Day 1	11 a.m. ET	Day 1	3 p.m. ET	Decreased Volume: New nom must be at least 5/24 of original nom, since gas has flowed 5 hours. Increased Volume: No upper limit
Intra-day 2	Day 1	3:30 p.m. ET	Day 1	7 p.m. ET	Decreased Volume: New nom must be at least 9/24 of original nom, since gas has flowed 9 hours. Increased Volume: No upper limit
Intra-day 3	Day 1	8 p.m. ET	Day 1	11 p.m. ET	Decreased Volume: New nom must be at least 13/24 of original nom, since gas has flowed 13 hours. Increased Volume: No upper limit

ET = Eastern Time

Last time to change nom, i.e., last deadline, is 8 p.m. ET of that Gas Day. Intra-day 1 Nom cannot be zero (0).

*If timely nom - 4,800 then the lowest intra-day 1 Nom is 5 * 4,800 / 24 = 1,000.*

3. Nominations Changes

Nominations which do not match the upstream pipeline after the gas day has ended will be revised in *GTS*. For nominations which do not meet system constraints or local system balancing constraints, the ESCO will be contacted to revise their nominations. If the nomination is not revised on the upstream pipeline, NYSEG can have the nomination at the citygate cut by the pipeline.

4. Nominations for Holidays

NYSEG's holidays can be found in *GTS*.

5. Physical Limitations

To insure reliability, each ESCO must operate within the physical limitations of NYSEG's delivery system while meeting the usage requirements of its Daily Metered Customers.

- Deliveries on Empire Pipeline at Arcadia, as specified in the customer's Gas Transportation Service Agreement, are subject to the physical limitation of NYSEG's delivery system. When the Packwood Road valve is closed (typically mid-fall through mid-spring), deliveries through NYSEG's system via the Empire Pipeline at the Arcadia receipt point are limited.

Consequently, ESCO customers south of Packwood Road in NYSEG's Geneva District cannot be serviced via the Empire Pipeline at the Arcadia receipt point during this time. NYSEG will notify ESCOs before the valve is closed in the fall and reopened in the spring. Refer to Section B to review the NYSEG pooling areas. Advanced notice of long-term system constraints will be made to any affected customer and its ESCO by May 1 of each year.

- Any ESCO purchasing gas from a Local Producer will be limited to a volume of gas equivalent to the usage of the customers in their pool who reside on the delivery system which the local production gas feeds. Please contact your Supplier Relations Lead Analyst if you need more information.

F. BALANCING RECEIPTS AND DELIVERIES

1. Daily LDC Balancing Program

The ESCO forecasts usage for their Daily Metered Customer pools and nominates gas to NYSEG's citygate grossed up for the NYSEG system losses. ESCO pool imbalances are subject to a daily cashout for any imbalance ±5% and only back to the 5% level. Daily cashouts will be summed up and charged to the ESCO on a monthly basis. At the end of the month, the daily imbalances, both positive and negative, will be cashed out to the 0% level at the average of the daily prices for the month according to Table A.

It is the ESCO's responsibility to nominate, on a daily basis, those volumes that it expects its customer service points to consume, utilizing the daily meter read data for those service points, provided by NYSEG.

2. Daily Cash-outs

At the end of the Gas Day the Pooling Area Imbalance will be calculated:

a. If the absolute value of the Pooling Area Imbalance is less than 5%, each Pool Operator will be cashed-out according to TABLE A on the next page. NYSEG will calculate the daily cash-out price by Pooling Area based upon the applicable daily price index published in Gas Daily (or a successor).

b. If the absolute value of the Pooling Area Imbalance is greater than 5% and the absolute value of the ESCO Pool Imbalance is less than 5%, no daily cash-out will apply to the ESCO.

c. If both the absolute value of the Pooling Area Imbalance and the absolute value of the ESCO Pool Imbalance is greater than 5%, that ESCO will be cashed-out according to TABLE B on the next page.

Table A

Pooling Area	Pricing Components
Algonquin	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus a. TransCanada (Iroquois to Napierville) variable and fuel.
O&R	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

Table B

Pooling Area	Negative Imbalances > -5% *(Under deliveries)*	Positive Imbalances > +5% *(Over deliveries)*
Algonquin	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia Demand (100% Load Factor); plus c. Tennessee & Columbia variable and fuel.	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	a. DTI South Point midpoint; plus b. DTI Demand (100% Load Factor); plus c. DTI variable and fuel.	a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois Demand (100% Load Factor); plus c. Iroquois variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus b. TransCanada Demand (100% Load Factor of Iroquois to Napierville); plus c. TransCanada (Iroquois to Napierville) variable and fuel	a. Iroquois Receipts midpoint; plus b. TransCanada (Iroquois to Napierville) variable and fuel.

Pooling Area	Negative Imbalances > -5% *(Under deliveries)*	Positive Imbalances > +5% *(Over deliveries)*
O&R	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee Demand (100% Load Factor); plus c. Tennessee variable and fuel.	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

In determining the daily cash-out, the following multipliers are applied to the daily cash-out prices as indicated above:

Positive Imbalances (Over Deliveries)	Multiplier
0 to +5%	Market Price
Greater than +5% to +10%	95%
Greater than +10% to +15%	90%
Greater than +15% to 20%	80%
> 20%	50%
Negative Imbalances (Under Deliveries)	**Multiplier**
0 to -5%	Market Price
Greater than -5% to -10%	105%
Greater than -10% to -15%	110%
Greater than -15% to -20%	120%
> -20%	150%

In addition to the pricing components in TABLE A and TABLE B above, the NYSEG shall have the right to collect from ESCOs incremental upstream pipeline costs incurred beyond the 5% balancing threshold, upon demonstration by NYSEG.

During an Operational Flow Order (OFO), the Daily Cash-Out calculation as set forth in TABLE A above, shall be suspended and each ESCO's imbalance shall be cashed-out according to TABLE B above.

3. Daily LDC Balancing Program for SC15 (Effective August 1, 2017)

The ESCO forecasts usage for their Daily Metered Customer pools and nominates gas to NYSEG's city gate grossed up for the NYSEG system losses. ESCO pool imbalances are subject to a daily cashout for any imbalance ±2% and only back to the 2% level. Daily cashouts will be summed up and charged to the ESCO on a monthly basis. At the end of the month, the daily imbalances, both positive and negative, will be cashed out to the 0% level at the average of the daily prices for the month according to Table C.

It is the ESCO's responsibility to nominate, on a daily basis, those volumes that it expects its customer service points to consume, utilizing the daily meter read data for those service points, provided by NYSEG.

4. Daily Cash-outs for SC15

At the end of the Gas Day the Pooling Area Imbalance will be calculated:

a. If the absolute value of the Pooling Area Imbalance is less than 2%, each Pool Operator will be cashed-out according to TABLE C on the next page. NYSEG will calculate the daily cash-out price by Pooling Area based upon the applicable daily price index published in Gas Daily (or a successor).

b. If the absolute value of the Pooling Area Imbalance is greater than 2% and the absolute value of the ESCO Pool Imbalance is less than 2%, no daily cash-out will apply to the ESCO.

c. If both the absolute value of the Pooling Area Imbalance and the absolute value of the ESCO Pool Imbalance is greater than 2%, that ESCO will be cashed-out according to TABLE D on the next page.

Table C

Pooling Area	Pricing Components
Algonquin	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus a. TransCanada (Iroquois to Napierville) variable and fuel.
O&R	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

Table D

Pooling Area	Negative Imbalances > -2% *(Under deliveries)*	Positive Imbalances > +2% *(Over deliveries)*
Algonquin	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia Demand (100% Load Factor); plus c. Tennessee & Columbia variable and fuel.	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	a. DTI South Point midpoint; plus b. DTI Demand (100% Load Factor); plus c. DTI variable and fuel.	a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois Demand (100% Load Factor); plus c. Iroquois variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus b. TransCanada Demand (100% Load Factor of Iroquois to Napierville); plus c. TransCanada (Iroquois to Napierville) variable and fuel	a. Iroquois Receipts midpoint; plus b. TransCanada (Iroquois to Napierville) variable and fuel.
O&R	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel.	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee Demand (100% Load Factor); plus c. Tennessee variable and fuel.	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

In determining the daily cash-out, the following multipliers are applied to the daily cash-out prices as indicated above:

Positive Imbalances (Over Deliveries)	Multiplier
0 to +2%	Market Price
Greater than +2% to +5%	90%
Greater than +5% to +10%	80%
> +10%	70%
Negative Imbalances (Under Deliveries)	**Multiplier**
0 to -2%	Market Price
Greater than -2% to -5%	110%
Greater than -5% to -10%	120%
< -10%	130%

In addition to the pricing components in TABLE C and TABLE D on the previous pages, the NYSEG shall have the right to collect from ESCOs incremental upstream pipeline costs incurred beyond the 2% balancing threshold, upon demonstration by NYSEG.

During an Operational Flow Order (OFO), the Daily Cash-Out calculation as set forth in TABLE C on the previous page, shall be suspended and each ESCO's imbalance shall be cashed-out according to TABLE D on the previous page.

5. Discrepancies

Discrepancies may arise between the actual amount of gas consumed and:

- Usage that is inaccurately or not reported
- Usage that is inaccurately measured at the meter

Discrepancies will be resolved on an individual customer basis after taking into account the cause, severity, duration of the problem and the problem's impact on any imbalance experienced by the ESCO.

G. BACKUP SERVICE OPTIONS

1. Overview

NYSEG offers two (2) service options which allow customers to have a NYSEG supplied gas backup service when deliveries of customer owned gas are curtailed or interrupted. If a customer chooses not to take a backup service, then NYSEG is under no obligation to deliver any quantities of gas in excess of those quantities of customer-owned gas being delivered to NYSEG's system by the ESCO.

2. Who Would Use This Service?

- A customer with an alternate fuel for most of its load, but must have natural gas for a specific area. Example: A hospital with an alternate fuel for its boiler, but its kitchen must have natural gas.
- An industrial customer who requires natural gas for a process application.
- Non-Mandatory Capacity Release Customers presently reserving "Sales Customer" status.

3. Sales Reservation Service

Any Non-Mandatory Capacity Release Customer who elects the "Sales Reservation Service" may use any quantity of NYSEG's sales gas whenever available quantities of customer owned gas are insufficient to meet the customer's needs. When NYSEG's sales gas is used, it is billed at the applicable sales gas rates.

If a Non-Mandatory Capacity Release Customer elects this service option, then they are billed at the applicable transportation rate for "Sales Reservation Service." This rate is charged for each therm that NYSEG transports for the customer and is adjusted monthly to reflect the average of NYSEG's demand costs for reserving capacity on the upstream pipeline.

4. Standby Sales Service

This backup service option allows the Non-Mandatory Capacity Release Customer to contract with NYSEG for a specific therm quantity of gas NYSEG must deliver to the citygate on a daily basis. This means that NYSEG will deliver gas to the customer, on a firm basis, up to the contracted daily standby quantity. NYSEG is under no obligation to provide gas in excess of the contracted daily standby quantity.

The customer will be billed a monthly charge for the twelve (12) month term of agreement, for each therm of standby gas it has contracted for with NYSEG. In order to reflect NYSEG's cost of reserving capacity on the upstream pipelines, this charge is adjusted each month. The daily standby service charge is billed each month, regardless of whether NYSEG supplied standby sales gas to the customer in any given month.

When a customer does use gas under the "Standby Sales Service", its ESCO is charged the commodity cost of the gas. This rate is not NYSEG's Sales Gas Rate; it is a separate Standby Commodity Rate, which changes and is published each month in NYSEG's Monthly Natural Gas Statements.

Section I

RG&E Daily Metered Customers

A. INTRODUCTION

The Daily Metered Program provides firm transportation service of customer-owned, pipeline quality, odorized gas from RG&E designated delivery points to facilities at the customer's metering point (burner tip). This is applicable to:

- Large Transportation Service (Service Classification No. 3),
- Firm Gas Transportation Service for Small DG <5 MW (Service Classification No. 7),
- Firm Gas Transportation Service for Large DG <50 MW (Service Classification No. 7), and
- General Service – Transportation Service to Electric Generation (Service Classification No. 10).

B. DELIVERY DETERMINATION

1. Usage Factor Calculations

Capacity requirements and releases will be based on the Maximum Daily Pool Quantity (MDPQ) requirement of the ESCO for the customers in the ESCO's pool for the month at the citygate. The Maximum Daily Transportation Quantity (MDTQ) for each customer is calculated using the Base and Winter Usage Factors for the entire year.

The dates used to calculate the seasonal usage factors are as follows:

Base Usage Factor	July 1 – August 31
Winter Usage Factor	November 1 – March 31
Summer Usage Factor	April 1 – October 31

To calculate seasonal usage factors the following formulas are used:

- Base Usage Factor:
  (Total base therms / # days in base period)
- Winter and Summer Usage Factors:
  *(Total season therms – (base usage factor * # days of season use)) / (Σ actual HDD for season)*

For Space Heating Customers (more than 50% of customer usage is experienced November 1 to March 31), three (3) years of the most recent historical usage will provide the basis for developing a base usage quantity and seasonal Heating Degree Day (HDD) usage factors. In the event three (3) years of history is not available, a minimum of one (1) year of historical usage will be used. The MDTQ for customers with less than one (1) year of historical usage will be determined on a case by case basis.

For process load customers, the peak day is determined based on the highest usage for a given winter day (November 1 through March 31) over the last five (5) years times the factor of adjustment.

2. MDTQ Calculations

The MDTQ will be calculated as follows:

- MDTQ = *[(Base Usage Factor + (Winter Usage Factor * 75 HDD)) * FA]*

C. ANNUAL MDTQ REVIEW

MDTQs will be available in *GTS* to each Daily Metered Transportation Customer and its current ESCO. Each Annual Review will be based on data collected from September 1 through August 31. The Annual Review will establish MDTQs that will be effective on the following November 1st. MDTQs established during a review may be adjusted between reviews. In the event a customer exceeds its MDTQ, the MDTQ will be reset at the higher level at the start of the next billing cycle and remain at that level until changed during the next Annual Review. In the event a customer can demonstrate a 10% or greater reduction in demand lasting for a period greater than twelve (12) months, the customer or its current ESCO may request a review of the MDTQ prior to the next Annual Review. If such review results in a modification to the MDTQ, the MDTQ will be reset to reflect that modification at the start of the next billing cycle and remain at that level unless changed during the next Annual Review.

D. UPSTREAM CAPACITY REQUIREMENTS

1. Mandatory Capacity Release

- An ESCO serving Mandatory Capacity Release Customers shall be required to take primary point capacity from RG&E every month of the year to serve such customer peak day needs, unless the ESCO has Grandfathered Capacity as described in item #3 below. The capacity provided is not allowable for re-release.

2. Capacity Release-Receipt and Delivery Points

ESCOs serving non-grandfathered Mandatory Capacity Release Customers, in accordance with the Tariff, are required to take a mandatory release of firm, primary point capacity from RG&E on Dominion Transmission Inc. (DTI), Empire and TransCanada (TCPL).

RG&E Capacity Release Receipt & Delivery Points

Pooling Area		Tariff Rate	Capacity%*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
1	**DTI**					
	Transport	FTNN	22.58%		Oakford (40208)	20600
	Transport	FT	4.63%		DTI NP	20600
	Transport	FTNNGSS***	28.56%		10002	20600
	Storage	GSS		40	DTI Storage Pt. (10001)	10002

RG&E Capacity Release Receipt & Delivery Points						
Pooling Area		Tariff Rate	Capacity%*	# of Days**	Receipt Meter(s)	Delivery Meter(s)
2	**Empire**					
	Transport	FTNN	30.13%		Chippawa 12000010	Mendon 120001010
	Transport	FTNN	14.10%		Tuscarora	Mendon 120001010
	Storage	FSNN		60 days expires on March 31, 2017 68.238 days effective April 1, 2017	Empire Storage Pt.	Empire Storage Pt.
3	**TCPL**					
	Transport	FT	12.0%		St. Clair	Chippawa

* *Capacity % is applied to ESCO peak day (75 HDD daily metered/66 HDD non-daily metered)*

** *Multiply storage transport MDQ result by the # of days for SCQ (Storage Capacity Quantity)*

*** *Not available during the summer (Apr-Oct).*

To accommodate for the difference in released assets between Empire and TCPL, the ESCO must demonstrate it has non-recallable primary point capacity to the nearest liquid trading point on either DTI, TCPL (Dawn) or a firm supply contract with a reliable counterparty for delivery to Empire at Chippawa or a point downstream of Chippawa. The amount of capacity that must be demonstrated is the quantity equal to the difference in released assets between Empire and TCPL.

- **DTI GSS Storage**
  ESCOs are required to assume all rights, responsibilities and obligations for the capacity released including the Minimum Turnover obligation on DTI GSS Storage. The capacity release shall be recalled if the ESCO fails to perform.
- **Transfer of Empire Storage Gas**
  One-Time Exception: On November 1, 2015, or as soon as practical thereafter, RG&E shall transfer to the ESCO a quantity of gas on Empire equivalent to a pro-rata share of gas that RG&E has acquired to provide service to the migrated Customers. The quantity of gas transferred shall be the storage capacity to be released multiplied by 95% which represents the planned degree to which RG&E's storage will be filled at the beginning of November 2015. The infield storage transfer will include commodity and demand costs associated with RG&E 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.

3. Grandfathered Capacity

As of September 1, 2007, ESCOs providing primary point deliverability "Grandfathered Capacity" for Mandatory Capacity Release Customers on upstream pipeline(s) at the receipt point(s) designated by RG&E, will be allowed to continue at the established customer enrollment level for each ESCO.

The volumetric level of grandfathering will be reviewed annually on April 1 of each year to adjust for any reductions in the level of customer load served by the ESCO in the past thirteen (13) months. If the change in the volumetric level of grandfathered primary point deliverability is 500 Dth below the current level of grandfathered primary point deliverability for the ESCO will be reduced. The level of grandfathered primary point deliverability will not be increased unless the ESCO purchases the entire book of customers from another ESCO. An ESCO using its own capacity to meet some or all of its Mandatory Capacity Release Customer requirements may pass those grandfathered rights on as a package only when it sells its entire customer book to another ESCO.

4. Primary Capacity Requirements

ESCOs serving customers under SC3 without alternate fuel capability and are not Human Needs (Critical Care) Customers, must sign an affidavit by August 1 of each year that they shall have contracted for a sufficient amount of firm, non-recallable, primary point capacity to RG&E's citygate during the months of November through March, to meet the MDPQ of those customers. Sufficient capacity will be retained by the ESCO to meet the requirements of current and future Core Customers as they may change from time to time. Capacity must be secured to at least the nearest liquid trading point on DTI (South Point) and Empire State Pipeline (Dawn). The amount of capacity secured must be equal to the customer's MDTQ, as determined by RG&E, plus RG&E system losses and pipeline fuel, if any. An affidavit is not required for any portion of an ESCO's winter capacity requirement, which the ESCO has taken as a capacity release from RG&E.

An ESCO may designate customers as firm secondary for those Core Customers for which the ESCO cannot demonstrate firm capacity. The ESCO must notify the customers and RG&E in writing that the customers have been designated as firm secondary and may be subject to interruption. For customers being designated as firm secondary, the customer and the ESCO may agree to specific demand reductions. Such agreements will not reduce the MDTQ used for billing purposes, or in any way limit RG&E's ability to impose restrictions otherwise provided for pursuant to RG&E's Tariff.

Customers served under SC3 with alternate fuel capability shall be required to demonstrate to RG&E they have alternate fuel capability to meet their peak day needs. Such alternate fuel shall be capable of handling an extended outage for a period of at least five (5) days. It shall be the customer's responsibility to provide annual proof or certification that the equipment has been tested.

RG&E will determine compliance and inform the ESCOs of any problems, if needed, within ten (10) business days after receipt of the affidavit and supporting contracts stating specifically what additional information is needed. The ESCOs will provide the additional information within five (5) business days and RG&E will respond, if needed, to the ESCOs within five (5) more business days after receiving the additional information. If the matter still remains in dispute, then the dispute resolution process outlined in the UBP will be used.

The intentional falsification of an affidavit may result in the termination of the business relationship between RG&E and the appropriate ESCO and could result in civil and criminal penalties. All customers of the ESCO will revert to RG&E or may transfer to other ESCOs using the procedures described in the Tariff and in the UBP.

5. Voluntary Capacity Release

ESCOs may request capacity from RG&E, if available. ESCOs will receive a prorated share if the capacity requested exceeds the amount available.

E. NOMINATIONS

1. Delivery Constraints

Two (2) upstream pipelines, Empire State Pipeline and Dominion Transmission, Inc. (DTI), serve RG&E's gas distribution system. There must be a balance between the amount of gas delivered to the system on each of the pipelines to ensure reliable operation of RG&E's distribution system. The following tables show the current system delivery constraints at the various load levels for winter and summer seasons. These constraints will change over time as load on RG&E's distribution system changes and as upstream pipeline operating constraints change.

Winter Season – November 1 – April 30

Total Nominated Load (MDT)	Maximum Nomination on Empire Pipeline (%)	Minimum Nomination on Empire Pipeline (%)	Maximum Nomination on DTI Pipeline (%)	Minimum Nomination on DTI Pipeline (%)
< 150	84	0	100	16
> 150 - ≤ 225	84	0	100	16
> 225 - ≤ 275	85	0	100	15
> 275 - ≤ 300	85	3	97	15
> 300 - ≤ 325	85	7	93	15
> 325 - ≤ 350	83	9	91	17
> 350 - ≤ 375	81	15	85	19
> 375 - ≤ 400	80	20	80	20
> 400 - < 425	78	23	77	22
> 425 - ≤ 450	77	28	72	23
> 450 - ≤ 475	75	32	68	25
> 475 - ≤ 500	73	32	68	27
> 500 - ≤ 525	73	34	66	27
> 525	71	36	64	29

Summer Season – May 1 – October 31

Total Nominated Load (MDT)	Maximum Nomination on Empire Pipeline (%)	Minimum Nomination on Empire Pipeline (%)	Maximum Nomination on DTI Pipeline (%)	Minimum Nomination on DTI Pipeline (%)
< 50	90	0	100	10
> 50 - ≤ 125	93	0	100	7
> 125 - ≤ 225	94	0	100	6
> 225 - ≤ 275	95	0	100	5
> 275 - ≤ 300	95	3	97	5

All ESCOs serving customers must meet system constraints every day. RG&E will provide the daily system load forecast to ESCOs for the current gas day plus the six (6) following days. This information will be provided to ESCOs via the *GTS* website each business day by 9 a.m. ET. ESCOs then look up the system constraints that apply to the season and the load level for the next Gas Day System Load Forecast.

Nominations must be made in accordance with the constraints in effect for a particular day.

For purposes of this procedure, the winter season is defined as the period from November 1 through April 30, and the summer season as May 1 through October 31.

2. Nominations Procedures

All nominations for Daily Metered pools will be nominated in *GTS*. For a particular gas day, after the ESCO enters all nominations for all customer pools, the system will allow the ESCO to check the total nominations to see if they meet RG&E's system constraints for that day. If the system shows that the nominations are outside of the constraints, the ESCO will be notified and must adjust their nominations to fall within system constraint parameters. RG&E reserves the right to require a change in the delivery of ESCO gas, at any of its citygates, to ensure the ESCO's nomination to the citygates meets RG&E's system constraints. RG&E will review the ESCO's nominations and, if acceptable, will confirm them on the website. The ESCOs may then view their nominations to ensure that they have been confirmed. RG&E confirms nominations with the pipelines.

CSC Balanced ESCOs must enter an "information only" nomination in the *GTS* system using the Planned Storage Quantity contract to show the portion of their pool's usage that they expect to withdraw (positive numbers) or inject (negative numbers) using their DTI CSC no-notice storage assets. The contract identifier is FTNNGSS.

This contract must be established for pools. If no nominations are scheduled for that day, the ESCO must enter a nomination of zero (0). These nominations are required for RG&E to ensure system reliability. In addition, the ESCO's nominations may not meet the system constraints test unless such informational nominations are entered. RG&E will not confirm these informational nominations so they will not be included in the scheduled deliveries total. No nomination for withdrawal and/or injection from storage is necessary on DTI's E-Script since it is a no-notice service.

3. Nominations Deadlines

All ESCO nominations must be entered in *GTS* by 2 p.m. Eastern Time (ET) for the following gas day. Saturday, Sunday and Monday nominations are due on Friday by 2 p.m. ET. Holiday and business days following a holiday nominations are due at 2 p.m. ET on the business day prior to the holiday.

All ESCO nominations must conform to the North American Energy Standard Board (NAESB) nomination rules, as applicable. Shown below is the NAESB Nomination Cycle.

NAESB Nomination Cycle

Type of Nom	Nom Deadline		Flow Effective		New Volume
Timely Nom	Day 0	12:30 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Evening Nom	Day 0	7 p.m. ET	Day 1	10 a.m. ET	Beginning of gas day. Full volume flows.
Intra-day 1	Day 1	11 a.m. ET	Day 1	3 p.m. ET	Decreased Volume: New nom must be at least 5/24 of original nom, since gas has flowed 5 hours. Increased Volume: No upper limit
Intra-day 2	Day 1	3:30 p.m. ET	Day 1	7 p.m. ET	Decreased Volume: New nom must be at least 9/24 of original nom, since gas has flowed 9 hours. Increased Volume: No upper limit
Intra-day 3	Day 1	8 p.m. ET	Day 1	11 p.m. ET	Decreased Volume: New nom must be at least 13/24 of original nom, since gas has flowed 13 hours. Increased Volume: No upper limit

ET = Eastern Time

*Last time to change nom, i.e., last deadline, is 8 p.m. ET of that Gas Day. Intra-day 1 Nom cannot be zero (0). Example: If timely nom = 4,800 then the lowest intra-day 1 Nom is 5 * 4,800 / 24 = 1,000.*

4. Nominations Changes

Nominations which do not match the upstream pipeline after the Gas Day has ended will be revised in *GTS*. For nominations which do not meet system constraints or local system balancing constraints, the ESCO will be contacted to revise their nominations. If the nomination is not revised on the upstream pipeline, RG&E can have the nomination at the citygate cut by the pipeline. If nominations do not meet RG&E system constraints, as described above, RG&E will contact ESCOs to change their nominations in order to meet system constraints.

5. Nominations for Holidays

RG&E's holidays can be found in *GTS*.

F. BALANCING OF RECEIPTS AND DELIVERIES

1. Balancing Service Options

There are two (2) types of daily balancing service available for Pools; RG&E Daily Balancing Service and CSC Enhanced Daily Balancing Service. ESCOs may elect one (1)balancing option for a one-year (1) period. ESCOs must notify RG&E by March 15 of their daily balancing option to be effective April 1 through March 31.

2. Daily LDC Balancing Program

The ESCO forecasts usage for their Daily Metered customer pool and nominate gas in accordance with that forecast. The imbalance between nominations and the metered usage for the total customer pool usage, grossed up for system losses and adjusted for any negative CSC measurements, for any imbalance greater than ±5% and only back to the ±5% level. Daily cash-outs will be summed up and charged to the ESCO on a monthly basis. At the end of the month, the daily imbalances, both positive and negative, will be cashed out to the 0% level at the average of the daily prices for the month according to Table A or B on the next page at the First 5% Imbalance Level.

It is the ESCO's responsibility to nominate daily, those volumes that it expects its customer service points to consume, utilizing the daily meter read data for those service points, provided by RG&E.

a. Daily Cash-Outs

At the end of the Day, the Pooling Area Imbalances will be calculated:

- If the absolute value of the Pooling Area Imbalance is less than 5%, each ESCO will be cashed-out according to the first 5% tier in TABLE A or TABLE B on the next page.
- If the absolute value of the Pooling Area Imbalance is greater than 5% and the absolute value of the ESCO Pool Imbalance is less than 5%, no daily cash-out will apply to the ESCO.
- If both the absolute value of the Pooling Area Imbalance and the absolute value of the ESCO Pool Imbalance is greater than 5%, that ESCO will be cashed-out according to the tiers included in TABLE A and TABLE B on the next page.

During an Operational Flow Order (OFO), the Daily Cash-Out calculation as set forth above shall be suspended, and each ESCO's imbalance shall be cashed-out according to TABLE A and B and on the following pages.

Table A

For daily deficiency imbalances, the ESCO will pay the RG&E for the applicable deficiency amount as follows, based on the applicable daily price index:

Imbalance Level	Rate per Therm of Imbalance
First 5%	The average of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Mendon city gate on Empire Pipeline and the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Caledonia citygate on DTI Pipeline.
Greater than 5% to 10%	The average of 105% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 105% of the Appalachia, Dominion, South Point midpoint index as published in the Platts Gas Daily Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay the RG&E a pro-rata share of any upstream pipeline-imposed penalties that the RG&E may incur as a result of the deficiency imbalance.
Greater than 10% to 15%	The average of 110% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 110% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay the RG&E a pro-rata share of any upstream pipeline-imposed penalties that the RG&E may incur as a result of the deficiency imbalance.
Greater than 15% to 20%	The average of 120% of the Dawn, Ontario midpoint index price as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 120% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the deficiency imbalance.
Greater than 20%	The average of 150% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 150% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the deficiency imbalance.

Table B

For daily surplus imbalances, the ESCO will pay RG&E for the applicable surplus amount as follows, based on the applicable daily price index:

Imbalance Level	Rate per Therm of Imbalance
First 5%	The average of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Mendon city gate on Empire Pipeline and the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Caledonia citygate on DTI Pipeline.
Greater than 5% to 10%	The average of 95% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 95% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.
Greater than 10% to 15%	The average of 90% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 90% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.
Greater than 15% to 20%	The average of 80% of the Dawn, Ontario midpoint index as published in the Platts Gas Daily Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 80% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.
Greater than 20%	The average of 50% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 50% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.

3. Daily Balancing with Enhanced CSC Balancing Service

The ESCO must apply and be accepted by DTI for service under rate schedule CSC. The ESCO will be responsible for meeting all requirements of that rate schedule. The ESCO must maintain sufficient DTI No Notice Storage and associated transportation capacity entitlements under the CSC service to cover the imbalance between the amount of gas nominated and delivered to RG&E's citygate on a scheduled basis, and the metered consumption of their Daily Metered Pool multiplied by the factor of adjustment minus their Empire nomination on a daily basis, as stated in the Tariff.

The ESCO forecasts usage for their Daily Metered customer pool and nominates in accordance with that forecast. It is the ESCOs responsibility to nominate, on a daily basis those volumes that it expects its customer PoD IDs to consume, utilizing the daily usage data for those PoD IDs, provided by RG&E and to accurately nominate their gas to ensure that their deliveries and actual pool usage will be within RG&E's system constraints. The imbalance between deliveries and customer usage plus system losses (citygate usage) for the customer pool is reported to DTI for determining injections and withdrawals to the ESCO's CSC account. Daily cash-outs and end of month imbalance trades are not applicable for this service.

RG&E releases DTI no-notice storage capacity and associated firm transportation capacity in the amount of 5% of the difference between the ESCO's pool MDTQ and capacity released to the ESCO defined in the Tariff. Capacity is released for a one (1) month period at maximum rates.

In the event that DTI terminates an ESCO's CSC contract for any reason, the ESCO will be assigned to RG&E balancing service.

A negative CSC measurement occurs when the ESCO delivers more gas on the Empire System than their actual pool usage. All gas associated with a negative CSC measurement will be cashed out daily and a zero (0) CSC measurement is reported to DTI.

4. Balancing Service Options for Service Classification 10 (Effective August 1, 2017)

There are two (2) types of daily balancing service available for Daily Metered Pools; RG&E Daily Balancing Service and CSC Enhanced Daily Balancing Service. ESCOs may elect one (1) balancing option for a one-year (1) period. ESCOs must notify RG&E by March 15 of their daily balancing option to be effective April 1 through March 31.

5. Daily LDC Balancing Program for Service Classification 10

The ESCO forecasts usage for their Daily Metered customer pool and nominate gas in accordance with that forecast. The imbalance between nominations and the metered usage for the total customer pool usage, grossed up for system losses and adjusted for any negative CSC measurements, for any imbalance greater than ±2% and only back to the ±2% level. Daily cash-outs will be summed up and charged to the ESCO on a monthly basis. At the end of the month, the daily imbalances, both positive and negative, will be cashed out to the 0% level at the average of the daily prices for the month according to Table C or D on the following pages at the First 2% Imbalance Level.

It is the ESCO's responsibility to nominate daily, those volumes that it expects its customer service points to consume, utilizing the daily meter read data for those service points, provided by RG&E.

a. Daily Cash-Outs for Service Classification 10

At the end of the Day, the Pooling Area Imbalances will be calculated:

- If the absolute value of the Pooling Area Imbalance is less than 2%, each ESCO will be cashed-out according to the first 2% tier in TABLE C or TABLE D on the next page.
- If the absolute value of the Pooling Area Imbalance is greater than 2% and the absolute value of the ESCO Pool Imbalance is less than 2%, no daily cash-out will apply to the ESCO.
- If both the absolute value of the Pooling Area Imbalance and the absolute value of the ESCO Pool Imbalance is greater than 2%, that ESCO will be cashed-out according to the tiers included in TABLE C and TABLE D on the next page.

During an Operational Flow Order (OFO), the Daily Cash-Out calculation as set forth above shall be suspended, and each ESCO's imbalance shall be cashed-out according to TABLE C and D and on the following pages.

Table C

For daily deficiency imbalances, the ESCO will pay the RG&E for the applicable deficiency amount as follows, based on the applicable daily price index:

Imbalance Level	Rate per Therm of Imbalance
First 2%	The average of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Mendon city gate on Empire Pipeline and the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Caledonia citygate on DTI Pipeline.
Greater than 2% to 5%	The average of 110% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 110% of the Appalachia, Dominion, South Point midpoint index as published in the Platts Gas Daily Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay the RG&E a pro-rata share of any upstream pipeline-imposed penalties that the RG&E may incur as a result of the deficiency imbalance.
Greater than 5% to 10%	The average of 120% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 120% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay the RG&E a pro-rata share of any upstream pipeline-imposed penalties that the RG&E may incur as a result of the deficiency imbalance.
Greater than 10%	The average of 130% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline and 130% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Caledonia City Gate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the deficiency imbalance.

Table D

For daily surplus imbalances, the ESCO will pay RG&E for the applicable surplus amount as follows, based on the applicable daily price index:

Imbalance Level	Rate per Therm of Imbalance
First 2%	The average of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Mendon city gate on Empire Pipeline and the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges to the Caledonia citygate on DTI Pipeline.
Greater than 2% to 5%	The average of 90% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 90% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.
Greater than 5% to 10%	The average of 80% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 80% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.
Greater than 10%	The average of 70% of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Mendon city gate on Empire Pipeline and 70% of the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus variable transportation charges (commodity plus fuel) to the Caledonia citygate on DTI Pipeline. In addition, the ESCO will pay RG&E a pro-rata share of any upstream pipeline-imposed penalties that RG&E may incur as a result of the surplus imbalance.

6. Daily Balancing with Enhanced CSC Balancing Service for Service Classification 10

The ESCO must apply and be accepted by DTI for service under rate schedule CSC. The ESCO will be responsible for meeting all requirements of that rate schedule. The ESCO must maintain sufficient DTI No Notice Storage and associated transportation capacity entitlements under the CSC service to cover the imbalance between the amount of gas nominated and delivered to RG&E's citygate on a scheduled basis, and the metered consumption of their Daily Metered Pool multiplied by the factor of adjustment minus their Empire nomination on a daily basis, as stated in the Tariff.

The ESCO forecasts usage for their Daily Metered customer pool and nominates in accordance with that forecast. It is the ESCOs responsibility to nominate, on a daily basis those volumes that it expects its customer PoD IDs to consume, utilizing the daily usage data for those PoD IDs, provided by RG&E and to accurately nominate their gas to ensure that their deliveries and actual pool usage will be within RG&E's system constraints. The imbalance between deliveries and customer usage plus system losses (citygate usage) for the customer pool is reported to DTI for determining injections and withdrawals to the ESCO's CSC account. Daily cash-outs and end of month imbalance trades are not applicable for this service.

RG&E releases DTI no-notice storage capacity and associated firm transportation capacity in the amount of 2% of the difference between the ESCO's pool MDTQ and capacity released to the ESCO defined in the Tariff. Capacity is released for a one (1) month period at maximum rates.

In the event that DTI terminates an ESCO's CSC contract for any reason, the ESCO will be assigned to RG&E balancing service.

A negative CSC measurement occurs when the ESCO delivers more gas on the Empire System than their actual pool usage. All gas associated with a negative CSC measurement will be cashed out daily and a zero (0) CSC measurement is reported to DTI.

Section J

System Alerts, Operational Flow Orders and Load Curtailment

A. SYSTEM ALERTS

1. Overview

"Critical Period" is defined as a period of operational stress or impending potential operational stress that may impact the integrity of NYSEG/RG&E's gas distribution system, or a force majeure event. "System Alerts" are announcements of actual or pending events that may result in an Operational Flow Order (OFO). During a Critical Period, NYSEG/RG&E may deem it necessary to take protective action through the issuance of a System Alert to ESCO/DCs.

A System Alert will set forth the voluntary corrective actions being requested at that time, as well as the corrective actions that may be mandated if the voluntary response to the System Alert is inadequate. However, the System Alert will in no way act to limit the corrective actions that may ultimately be mandated by NYSEG/RG&E through an OFO.

2. Issuing & Lifting System Alerts

- NYSEG/RG&E will notify ESCO/DCs of a System Alert via email, and posting a notice on the *GTS* website.
- The System Alert notice will include the timeframe, location, and requested action.
- A System Alert may be directed to specific ESCO/DCs on a non-discriminatory basis or to all ESCO/DCs.
- A return receipt response may be required from the ESCO/DCs.
- NYSEG/RG&E will notify ESCO/DCs when the System Alert is lifted via email and posting a notice on the *GTS* website.
- NYSEG/RG&E may decide to issue an OFO if system integrity is still at risk.

B. OPERATIONAL FLOW ORDERS (OFO)

1. Overview

NYSEG/RG&E may, at its sole discretion, take protective action through the issuance of an OFO to ESCO/DCs in response to extreme circumstances. In maintaining system integrity, NYSEG/RG&E will first try to correct the problem through other available options. A day in which an OFO is issued is known as a Critical Day.

An OFO will be issued to ESCO/DCs, at NYSEG/RG&E's discretion, when:

- Voluntary actions taken in response to a System Alert are inadequate.
- A System Alert is inadequate in responding to impending conditions which threaten the integrity of NYSEG/RG&E's system.
- Preventing a short-term Curtailment.

Economic considerations will not be the basis for declaring an OFO. An OFO will be instituted, in a non-discriminatory manner, when other actions have not eliminated reliability concerns.

NYSEG/RG&E will strive to provide ESCO/DCs with the opportunity to take corrective action prior to the issuance of an OFO by issuing a System Alert. However, NYSEG/RG&E will not be obligated to issue a System Alert prior to the issuance of an OFO.

Upon issuance of an OFO notice, NYSEG/RG&E will make authorized personnel available on a twenty-four (24) hour basis to facilitate ESCO/DC compliance. Contact information is provided on the *GTS* website.

2. Operational Flow Order Types

There are two (2) types of OFOs that NYSEG/RG&E will issue. (1) An OFO may be issued if a system or particular citygate cannot tolerate an under delivery of gas. An example of when this could be issued is during severe cold weather. This may be referred to as a Type I OFO at RG&E. (2) An OFO may also be issued if a system or particular citygate cannot tolerate an over delivery of gas. An example of when this could be issued is during unseasonably warm weather. This may be referred to as a Type II OFO at RG&E.

3. Issuing & Lifting Operational Flow Orders

- NYSEG/RG&E will notify ESCO/DCs of an OFO via email and posting a notice on the *GTS* website.
- The OFO notice will include the timeframe, location and requested action. An OFO may be directed to specific ESCO/DCs on a non-discriminatory basis, or to all ESCO/DCs.
- A return receipt response may be required from the ESCO/DCs.
- RG&E reserves the right to issue an OFO requiring a change in the delivery of an ESCO/DC's natural gas. This change may occur at one (1) or more upstream pipelines, at any time, upon RG&E's sole determination. Such a change will occur when action is required to alleviate conditions that threaten the integrity of RG&E's distribution system or any of the upstream pipelines serving such distribution system.
- NYSEG/RG&E will use best efforts to provide at least twenty-four (24) hours notice prior to invoking an OFO through the issuance of a System Alert. When a System Alert precedes an OFO, this twenty-four (24) hour notice will begin with the issuance of the System Alert. Additionally, NYSEG/RG&E will provide a minimum of eight (8) hours notice when converting a System Alert to an OFO. Note, however, that NYSEG/RG&E may issue an OFO, effective on less notice than set forth here, during periods of extraordinary operational stress.
- NYSEG/RG&E will monitor the system to confirm that the ESCO/DCs have complied with the OFO. An ESCO/DC may be subject to discontinuance as a result of non-compliance.
- NYSEG/RG&E will notify ESCO/DCs when the OFO is lifted via email and posting a notice on the *GTS* website.
- NYSEG/RG&E may decide to activate the gas curtailment plan if system integrity is still at risk.

Additional guidelines may be found on NYSEG/RG&E's websites in the appropriate Tariffs for implementing a System Alert and/or an OFO.

C. LOAD CURTAILMENT

1. General Curtailment Procedures

NYSEG/RG&E will have the right to curtail or limit any customer's use of gas, hereunder on two (2) hours notice, in the event that they reasonably foresee an inability to meet firm daily requirements. Curtailments shall be limited in scope and duration as necessary to alleviate an emergency. To the extent possible, Curtailments will be localized.

In the event of interruption or a force majeure Curtailment situation, due to a supply deficiency, the needs of Core Customers will be met first, regardless of whether they are customers of NYSEG/RG&E or an ESCO/DC. NYSEG/RG&E will curtail existing service following the procedures set forth in the Tariffs if they are unable to satisfy the full requirements of its customers due to a deficiency in its gas supply. In the event of an emergency, NYSEG/RG&E may deviate from these procedures to the extent operational circumstances make it appropriate to do so. NYSEG/RG&E will exercise sound operational discretion, using these General Curtailment Procedures as a guideline.

NYSEG/RG&E will only implement a Curtailment as a last resort. Economic consideration shall not be the basis for a Curtailment. As circumstances permit NYSEG/RG&E will seek voluntary Curtailment, to alleviate an emergency situation. Mutual aid, contractual and other non-Curtailment supply management tools, OFOs, interruption of contractually-interruptible load, and supply acquisition shall be utilized before a Curtailment is declared.

A Curtailment may be needed in the event of a loss of supply due to force majeure circumstances including but not limited to major physical upstream failures beyond the control of NYSEG/RG&E or the ESCO/DCs (i.e., pipeline ruptures, widespread well freeze-offs, etc.). NYSEG/RG&E will endeavor to implement all Curtailment plans in a non-discriminatory manner, without regard to whether an ESCO/DC or NYSEG/RG&E provides gas service to those customers which may be curtailed. NYSEG/RG&E shall not incur any liability for any cost, expense, loss or injury which may be sustained by reason of such Curtailment or limitation.

The NYSEG/RG&E Gas Emergency Plans will be put into effect as part of the implementation of these Curtailment procedures. In the event of an emergency, NYSEG/RG&E may deviate from this plan to the extent operational circumstances make it appropriate to do so. NYSEG/RG&E will exercise sound operational discretion, using these procedures as a general guideline.

To improve all parties' understanding of roles during Critical Periods and to test communications procedures, NYSEG/RG&E may conduct an annual Critical Day simulation exercise. This exercise may be conducted in the fall of each year on a date determined by NYSEG/RG&E.

2. Curtailment Notification Process

NYSEG/RG&E will notify the Director of the Office of Electric, Gas and Water of the New York State Department of Public Service when a Curtailment is declared and when the situation returns to normal. Notification will be provided to the ESCO/DCs and curtailed customers periodically during the Curtailment period.

3. Gas Requirements During a Curtailment

During a period of Curtailment, ESCO/DCs shall be required to maintain citygate deliveries of gas at the direction of NYSEG/RG&E, subject to qualified upstream force majeure interruptions or Curtailment preventing their ability to secure and deliver such supplies. NYSEG/RG&E may request the ESCO/DC deliver up to and including proven primary point capacity requirements. Such delivery requirements may apply whether the ESCO/DC is curtailed or not.

It will be NYSEG/RG&E's option to purchase curtailment supplies in excess of plant protection requirements. Supplies will be delivered by ESCO/DCs at a mutually agreeable citygate or upstream point. NYSEG/RG&E may divert gas at the citygate, from an ESCO/DC, to serve higher priority customers. The ESCO/DC whose gas is diverted, in such instances, shall be compensated consistent with the Tariff as described in item five (5).

4. ESCO and Direct Customer (DC) Compliance

ESCO/DCs must comply with the requirements of the Curtailment. NYSEG/RG&E will make all reasonable efforts to inform any ESCO that is not responding to the required actions. However, lack of such notification will not relieve any party of its obligations.

5. Compensation for Diverted Gas

Compensation for diverted gas will be set at the market price in effect during the time of the Curtailment unless it can be demonstrated with adequate support that a contract calls for a higher price. The market price during Curtailment is as follows:

For NYSEG:

Pooling Area	Curtailment
Algonquin	Higher of: Iroquois Receipts midpoint; plus a. Iroquois & Algonquin Demand (100% Load Factor); plus b. Iroquois & Algonquin variable and fuel. *or* a. Iroquois Zone 2 midpoint; plus b. Algonquin Demand (100% Load factor); plus c. Algonquin variable and fuel

Pooling Area	Curtailment
Columbia	Higher of: a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia Demand (100% Load Factor); plus c. Tennessee & Columbia variable and fuel. *or* a. Columbia Gas , Appalachia midpoint; plus b. Columbia Demand (100% load Factor); plus c. Columbia variable and fuel
Dominion	a. DTI South Point midpoint; plus b. DTI Demand (100% Load Factor); plus c. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois Demand (100% Load Factor); plus c. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus b. TransCanada Demand (100% Load Factor of Iroquois to Napierville); plus c. TransCanada (Iroquois to Napierville) variable and fuel
Tennessee	Higher of: a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee Demand (100% Load Factor); plus c. Tennessee variable and fuel. *or* a. Niagara Midpoint; plus b. Tennessee Demand (100% Load factor); plus c. Tennessee variable and fuel

For RG&E:

The higher of the Dawn, Ontario midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel plus demand) to the Mendon City Gate on Empire Pipeline or the Appalachia, Dominion, South Point midpoint index as published in the Platts *Gas Daily* Publication, Daily Price Survey, plus maximum firm transportation charges (commodity plus fuel demand) to the Caledonia City Gate on DTI Pipeline.

6. Restoration

When NYSEG/RG&E determines that service can be restored to customers, it will implement restoration procedures and will notify the public of restoration status. Compensation will be charged or credited through the settlement process mechanism described in the Tariffs for NYSEG and RG&E. Such determination shall be considered final and binding on all parties. The normal settlement methodology will not be used in cases where an ESCO/DC's load was reduced at the request of, or due to the action of NYSEG/RG&E.

D. PENALTIES

Any ESCO/DC or customer who fails to comply with NYSEG/RG&E's Curtailment or OFO instructions may be charged a per therm penalty and be responsible for any pipeline penalty charges incurred by NYSEG/RG&E. Please refer to the appropriate Tariff for specific information regarding OFO and Curtailment penalties.

Section K

Billing and Payment Processing

A. OBJECTIVE

This section defines dual and utility-consolidated billing and Electronic Data Interchange (EDI) transactions. EDI transactions are used in the Natural Gas Retail Access Program to communicate and transmit information to and from ESCOs (or their agents) operating in the NYSEG and RG&E service territories. Specific transactions have been established uniformly throughout New York State through a collaborative effort with New York State Utilities, ESCOs, and the NY PSC. This section also describes billing and payment processing, which NYSEG/RG&E and ESCOs offer customers under the Multi-Retailer Model.

B. BILL OPTIONS

Under the Bill-Ready model, NYSEG/RG&E offers ESCOs two (2) options for billing and payment processing:

- **Dual Billing** – NYSEG/RG&E and ESCO each bill customers separately and process customer payments for their own services
- **Utility Consolidated Billing** – NYSEG/RG&E bills customer for distribution and includes ESCO commodity charges and processes customer payments on behalf of the ESCO

The following table summarizes the two (2) billing and payment processing options:

	Dual Billing	Consolidated Billing
Billing	• Customer receives two (2) bills: – NYSEG/RG&E bills customer for distribution. – ESCO bills customer for supply and other charges.	• Customer receives one (1) bill: – ESCO sends charges to NYSEG/RG&E. – NYSEG/RG&E bills customer for distribution and includes ESCO commodity charges on their bill.
Payments	• Customer pays two (2) bills: – Pays NYSEG/RG&E – Pays ESCO	• Customer pays NYSEG/RG&E for all charges. • NYSEG/RG&E sends ESCO payment 20 days after receipt of ESCO commodity charges

C. DUAL BILLING (CORE TRANSACTIONS)

1. Dual Billing

With Dual Billing, NYSEG/RG&E and ESCOs act as separate billing parties, directly rendering separate bills to the customer. NYSEG/RG&E bills the customer for distribution while the ESCO bills the customer for commodity. The customer, in turn, pays NYSEG/RG&E for distribution charges and pays the ESCO for commodity charges.

All ESCOs must be EDI-qualified for core, non-billing transactions in order to participate in the Natural Gas Retail Access Program within NYSEG/RG&E's service territories. To accomplish this, ESCOs must successfully complete EDI testing (Phase 3) with NYSEG/RG&E.

Core, non-billing EDI transactions that all parties involved in the Natural Gas Retail Access Program use include:

- EDI 814 transactions, which consist of customer enrollments, drops, reinstates, changes, and history requests
- EDI 867 transactions, which consist of historical usage and monthly usage reports
- EDI 824 transactions, which consist of negative response transactions sent by NYSEG/RG&E or an ESCO

EDI 814 – Enrollment Transaction

An EDI 814 Enrollment transaction is processed, with a response generated as an Accept, Acknowledge, or Reject response transaction. To determine whether to accept the enrollment, the request is validated on customer PoD ID number. EDI 814 Enrollment transactions for summary billed accounts must be enrolled as dual billing.

EDI 814 – Drop Transaction

EDI 814 Drop transactions are sent to NYSEG/RG&E when:

- The customer notifies the ESCO that they no longer wish to be served by that ESCO
- The customer notifies the ESCO that they are moving
- The ESCO decides they no longer wish to serve the customer

EDI 814 Drop transactions are sent to the ESCO when:

- A customer contacts the utility to return to regulated service
- A customer notifies NYSEG/RG&E that they are moving
- An ESCO requests an enrollment for an account that is currently being served by another ESCO

EDI – 814 Reinstate Transaction

An EDI 814 Reinstate transaction allows NYSEG/RG&E to reinstate a customer to an ESCO participating in their Natural Gas Retail Access Program following a prior drop request. This transaction may only be sent up to three (3) days prior to a pending switch date.

- This transaction may only be sent from NYSEG/RG&E to an ESCO
- The transaction is sent when a customer who requests a drop from an ESCO subsequently changes their mind and wishes to remain with the incumbent ESCO
- The customer notifies NYSEG/RG&E that they do not wish to switch to the enrolling ESCO
- The incumbent ESCO notifies NYSEG/RG&E Supplier Relations via email to reinstate the customer

EDI 814 – Change Transaction

An EDI 814 Change transaction is sent to an ESCO when data being changed by NYSEG/RG&E also needs to be communicated to the ESCO. Conversely, the ESCO sends EDI 814 Change transactions to NYSEG/RG&E when they are aware of any customer information that is to be communicated to NYSEG/RG&E. Examples of data that may be exchanged include, but are not limited to:

- Bill presentment (Dual or Utility Consolidated Billing)
- ESCO account number
- Customer name and/or address change
- Customer phone number
- Customer name for mailing and/or mailing address
- Customer meter read cycle or bill cycle
- Special Processing Code (i.e. life support)
- Meter location change, meter exchange, meter addition

EDI 814 – Request for History/EDI 867 – Historical Usage Transaction

The EDI 814 Request for History transaction allows an ESCO to request historical natural gas usage information about a customer from NYSEG/RG&E. This may be a stand-alone EDI 814 Request for History request, or a request accompanying an enrollment. NYSEG/RG&E provides a response transaction, which either accepts or rejects the request. If accepted, then NYSEG/RG&E sends an EDI 867 Historical Usage transaction to the ESCO. If the request is rejected, then NYSEG/RG&E sends an EDI 824 Negative Response transaction to the ESCO. A request may be rejected when there are validation errors, the customer has requested that NYSEG/RG&E block the provisioning of usage information or a Pod ID number is invalid.

Note: An EDI 814 Request for History transaction may only be sent by an ESCO to NYSEG/RG&E.

NYSEG/RG&E sends an EDI 867 Historical Usage transaction to an ESCO in response to either an EDI 814 Request for History transaction, or a secondary request for history within an EDI 814 Enrollment transaction. NYSEG/RG&E sends history for a total of twelve (12) months for the customer at the account being requested. If there are fewer than twelve (12) months of history available, then the amount available is sent.

EDI 867 – Monthly Usage Transaction

NYSEG/RG&E reads the customer's meter, calculates an estimated meter read, or utilizes a customer meter read. The customer's usage is then sent to the ESCO via an EDI transaction within twenty-four (24) hours of the meter reading.

The EDI 867 Monthly Usage transaction provides NYSESG/RG&E with a method for sending monthly customer usage information to the ESCO, which may be for billing. Monthly usage is automatically sent to the ESCO whenever NYSEG/RG&E validates usage for billing, or when NYSEG/RG&E cancels then re-bills usage for a customer.

2. Invoices

- NYSEG/RG&E's bill will conform to NY PSC standards.
- The ESCO may determine its bill format as long as it states the charges in sufficient detail to allow customers to judge the accuracy of their bills.
- NYSEG/RG&E will transmit usage data to the ESCO at the time the information is available for rendering bills to customers, which may or may not coincide with meter reading cycle dates. Whenever NYSEG/RG&E cancels consumption for an account, a notice of cancellation will be provided, with restated consumption for the account forwarded to an ESCO, if applicable.
- NYSEG/RG&E will bill Daily Metered Customers on a monthly basis from the first of one (1) month to the first of the following month.
- NYSEG/RG&E will use 10 a.m. ET meter reads for Daily Metered Customer billing purposes.
- NYSEG/RG&E will bill Non-Daily Metered Transportation customers on the same billing cycle as previously billed as a firm sales gas customer.

3. Cancel and Re-Bill

In some instances, NYSEG/RG&E will need to cancel a bill, obtain new or correct information, and then re-issue the bill (re-bill) with the corrected billing determinants. When this occurs, NYSEG/RG&E will notify the ESCO of such corrections via one (1) or more EDI transactions. NYSEG/RG&E will send one (1) EDI 867 transaction for each billing period that was cancelled and send one (1) EDI 867 transaction for each billing period that was re-billed.

D. UTILITY CONSOLIDATED BILLING

1. Utility Consolidated Billing

Consolidated billing is available to customers who receive their gas supply from an ESCO. A consolidated bill allows NYSEG/RG&E's distribution charges and the ESCO's supply charges to be presented on a single bill.

NYSEG/RG&E and ESCOs participating in consolidated billing will use the Billing Services Agreement (BSA) to establish detailed expectations for their billing and payment responsibilities, including consequences for any failure to carry out such responsibilities.

For consolidated bills, ESCOs will transmit their charges, along with other information, to NYSEG/RG&E on or before two (2) business days after transmittal of valid usage data for a customer account.

NYSEG/RG&E will summarize total charges, separately stating the utility and ESCO charges in clear, separated and marked portions of the consolidated bill. Actual bill content will be established in accordance with the UBPs.

ESCOs will be assessed a charge for company rendered consolidated bills per account, per month as set forth in NYSEG/RG&E tariffs.

ESCOs will have the option of printing a customized bill message and/or including their company logo on the consolidated bills. For more information, contact your Supplier Relations Lead Analyst.

2. Payment Processing

a. Overview

NYSEG/RG&E and participating ESCOs will define their responsibilities, performance parameters, financial arrangements, and other details associated with payment processing and remittance within the BSA.

b. Consolidated Bill Payments

NYSEG/RG&E will distribute funds to ESCOs in accordance with the Purchase of ESCO Receivables (POR) Program. NYSEG/RG&E sends ESCO payment twenty (20) days after receipt of ESCO commodity charges (please refer to EDI transactions described in this section).

c. Inquiries

All questions concerning consolidated bills should be directed to a Supplier Relations Lead Analyst.

d. Customer Payments and Disputes

Procedures associated with handling customer payments and disputes for consolidated billing are outlined in the UBP.

e. Compliance and Audit

Details for Compliance and Audit can be found in the BSA.

E. PURCHASE OF RECEIVABLES (POR)

1. Overview

NYSEG/RG&E will purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs who provide commodity service in NYSEG/RG&E's service territories.

2. Eligibility Requirements

ESCOs that elect NYSEG/RG&E's Utility-Consolidated Billing option for all or a portion of their customers will be required to sell their accounts receivable for such customers to NYSEG/RG&E under the terms of the applicable POR program. ESCOs will continue to have the option to issue their own bill using dual billing for all or a portion of their customers.

3. Purchase Price

Gas accounts receivable will be purchased at a discount off face value of the ESCO receivable per the applicable tariff. The discount rate will be sufficient to compensate NYSEG/RG&E for its financial risk in purchasing gas receivables, including, but not limited to, the level of NYSEG/RG&E's uncollectibles.

4. Payments

Payments to ESCOs will be made, via wire transfer on or before twenty (20) calendar days after consolidated bills are issued, and will continue throughout the billing cycle.

5. Other Considerations

- The POR will be subject to modifications based upon NY PSC orders, rules, and regulations applicable to retail access, including, but not limited to, the UBP, proration of customer payments under a single bill, and provisions of Home Energy Fair Practices Act.

- NYSEG/RG&E, in accordance with applicable provisions of law, may disconnect its delivery service and the ESCO's commodity service to residential customers who fail to make full payment of all amounts due on the consolidated bill, including the amount of the purchased ESCO receivables. Residential customers who are disconnected from utility service under the POR program will have their service reconnected upon payment of the arrears subject to the disconnection. Such payment may include both delivery and supply charges or a lesser amount as specified in Public Service Law Section 32(5). ESCOs participating in the POR program waive the right to seek termination of ESCO commodity service and/or to request suspension of NYSEG/RG&E's distribution service.
- The ESCO will indemnify NYSEG/RG&E for any cost, expense, or penalty if the customer's service is discontinued for non-payment and if the customer establishes that it did not receive such notification.

F. EDI BILLING TRANSACTIONS

1. Overview

EDI Billing transactions are used between NYSEG/RG&E and ESCOs who are using the Utility Consolidated Billing option. EDI testing is required to qualify for Utility Consolidated Billing transactions in addition to core EDI transactions.

Note: An ESCO cannot offer Utility Consolidated Billing unless they can demonstrate that they are EDI Billing Transaction compliant through a testing process with NYSEG/RG&E.

NYSEG/RG&E is bill ready. The ESCO calculates the billing charges for the customer. If the customer is receiving a Utility Consolidated Bill, then the ESCO transmits billing charges to NYSEG/RG&E for presentment on the Customer's Utility Consolidated Bill through an EDI transaction.

2. EDI 810 Invoice Transaction

Once NYSEG/RG&E sends an EDI 867 Monthly Usage transaction to the ESCO for a customer who is on Utility Consolidated Billing, a two-day (2) "billing window" is opened. This "billing window" is the period of time that an ESCO has to transmit an EDI 810 invoice transaction so that a Utility Consolidated Bill may be produced. If the EDI 810 Invoice information that the

ESCO sends during the "billing window" is invalid, then the transaction is rejected. The ESCO may then attempt to correct the problem and re-submit the EDI 810 Invoice transaction as long as the "billing window" remains open.

When a customer receives a Utility Consolidated Bill, the ESCO transmits its charges to NYSEG/RG&E via an EDI transaction for presentment on the Utility Consolidated Bill. The EDI 810 Invoice transaction allows the ESCO to inform NYSEG/RG&E of the ESCO charges for presentment on the Utility Consolidated Bill. These charges are sent at the account level. The EDI 810 Invoice transaction may also contain tax information and budget balance information. NYSEG/RG&E processes the information contained on the EDI 810 Invoice transaction, formats, then prints a bill for the customer.

If the ESCO sends the EDI 810 Invoice transaction after the "billing window" closes for the month, then the transaction is rejected. The ESCO has the right to either create their own supplemental bill to the customer (dual bill), or re-submit the charges the next month when a new "billing window" is open. NYSEG/RG&E sends a bill to the customer with distribution charges only; this bill includes a message indicating that there were no energy supply charges.

Note: Customized bill messages and/or a company logo are coded within an EDI 810 transaction.

3. EDI 820 Remittance Transaction

Under the Utility Consolidated Billing option, NYSEG/RG&E will present a single bill to the customer for both NYSEG/RG&E and ESCO charges. The customer is expected to remit payment for the full amount of the Utility Consolidated Bill directly to NYSEG/RG&E.

NYSEG/RG&E sends an EDI 820 remittance transaction to the ESCO twenty (20) days after receipt of an accepted 810 transaction. The EDI 820 Remittance transaction lists each customer account, the payment amount, total amount and a tracer number that is linked to an ACH payment, which physically transfers the funds to the ESCO.

G. METER READS

NYSEG/RG&E will measure consumption in accordance with established meter reading cycles and practices as well as provide the ESCO with appropriate billing determinants. Information provided to an ESCO is to be used solely by the ESCO for billing the customer. ESCOs are also subject to the confidentiality requirements as set forth in this manual.

Accounts are read either monthly or bi-monthly on a business day according to the premise's assigned meter reading cycle. Some bi-monthly accounts are billed with estimates in the interim month. Usage data will be provided to ESCO/DCs, using actual or estimated meter readings when the data is acceptable to NYSEG/RG&E to bill its customers for service that NYSEG/RG&E provides. Subsequent changes, corrections and adjustments to previously supplied data will be provided to the ESCO/DCs when the data is acceptable to be used for its customers.

If unable to obtain an actual reading, NYSEG/RG&E will establish an estimated read. Alternately, NYSEG/RG&E will accept customer supplied readings as long as the readings meet prescribed requirements per the applicable tariff.

An estimated read is prepared in the following instances:

- When the meter read is not obtained for the scheduled read month
- During a month for which no read is scheduled
- When a customer read is not provided or accepted
- When meter read data is outside the projected high-low parameters

Meter Read Schedules and Special Meter Reads

Meter read schedules can be found on the NYSEG and RG&E websites. NYSEG/RG&E may provide a meter reading on a day other than the scheduled meter read date if requested by an ESCO. The requesting party will be charged a fee per customer location, per meter, per read attempt. This is in accordance with the appropriate tariffs. Special Meter Reading dates must be scheduled to occur on a NYSEG/RG&E business day during normal business hours. It is the ESCOs responsibility to communicate a Special Meter Read request to the customer, informing them that NYSEG/RG&E will need access to their meter for the Special Meter Reading. Requests for a Special Meter Reading must be made not less than fifteen (15) calendar days in advance of the requested meter reading date and in accordance with the current business practices. Such requests will be accommodated to the extent that NYSEG/RG&E will be able to do so.

H. BILLING HISTORY RECORD RETENTION

NYSEG/RG&E records will be retained according to Generally Accepted Accounting Practices/ Financial Accounting Standards Board (GAAP/FASB) rules and guidelines as well as with applicable State and Federal Law. Billed history, which includes NYSEG/RG&E customer's identifier, type of service, and associated billed amount for each bill rendered, will be retained for six (6) years plus current year.

I. CUSTOMER LIST FILE AND FORMAT

Customer List Files are available on *GTS* in the form of a spreadsheet and are updated monthly. ESCOs will have updated Customer List Files posted to their secured websites each Saturday. The file contains the complete updated list of all the ESCO's current gas customers in NYSEG/RG&E's programs. The EDI file format specification is shown in the table on the next page.

	Field Name	Description	Notes
A.	Contract Account Number	Contract Account Number in CCS	Provided for info only – not used in Retail Access Transactions
B.	ESCO's Customer ID	ESCOs Account Number Stored in CCS	ESCO Account Number – as provided by the ESCO
C.	Business Partner	Customer's Name	Business Partner Name
D.	PoD ID	Point of Delivery ID	PoD ID
E.	Device Number	Meter/Recorder Number	Device Number
F.	Device Type (Gas Only)		"Daily" or "Non-Daily"
G.	Device Factor (Gas Only)		Multiplier-CCF to Therms – decimal numeric
H.	Therm Factor Zone (Gas Only)		"NOOXX" -> XX = Zone
I.	Street Address	Premise Address	Typically "Number (space)Street"; if no house number available, then "0" for Number
J.	City/Town State Zip Code	Premise Address	"City/Town(space)NY(space)Zip"
K.	Jurisdiction for Tax Calculation – Tax Jurisdiction Code	Tax Jurisdiction Code	Format – "NY9999999"
L.	Division	Commodity (Gas = G or Electric = EL)	"GS" or "EL"
M.	Grid	ISO Subzones or Gas Pooling Area	Examples: Electric – "NE_NOR_SE" "NE_MWK_SE"; Gas – "NG_DTI"; "NG_TCO"
N.	Rate Category	Rate Category	Rate Category
O.	Contract Account Determination ID	Previously revenue code	Residential/Commercial/ Municipal/Industrial – "R", "C", "CX", "M", "I"
P.	Installation Type	Heat or Non-Heat Status	"HEAT" or "NOHT"
Q.	Guarantee of Supply	Critical Care Status	If critical care residential – "01", if critical care non-residential "02", Null if none
R.	SIC Code		Associated with Device – Null if not available
S.	Balancing Type (Gas Only)		LDC "L" or CSC "C" balancing
T.	Bill Cycle	Bill Cycle for POD ID	"NXX" – XX = bill cycle
U.	ESCO Service Start Date	ESCO Service Start Date	Start Date w/ESCO at Installation-YYYYMMDD

	Field Name	Description	Notes
V.	ESCO Service End Date	ESCO Service End Date	End Date w/ESCO at Installation – Pending drops will have an actual end date---YYYYMMDD, "99991231" for active service
W.	Unit of Measure		"KWH", "THM", "CFF"
X.	ICAP Year (Electric Only)	Year for Customer Peak Load	Example: "2005"
Y.	PoD ID's Peak Load Contribution (Electric Only)	Customer's Peak Load for ICAP Year	Peak Load Contribution (PLC) numeric decimal
Z.	Synthetic Profile ID (Electric Only)	Synthetic Profile for Service Class	Synthetic Profile ID (Electric Only) – examples: "32", "33", "37"
AA.	Transmission Distribution Loss Class (Electric Only)	Voltage Level	"Secondary", "Primary", "Sub-transmission" "Transmission" (Electric Only)
AB.	MBBC Calculation Method (Electric Only)		

J. ESCO INVOICES

NYSEG/RG&E invoices will be posted on *GTS* on a monthly basis for balancing and settlement charges as listed below:

1. NYSEG Daily Metered Charges

- Daily Balancing Service
- Daily Balancing Cashout
- Daily Standby Adjustment
- Capacity Surcharge (DTI, NCPL and O&R)
- Intraday Meter Reads
- OFO Charges

2. NYSEG Non-Daily Metered Charges

- Monthly Balancing Service
- Daily Balancing – Over/Under Deliveries Cashout
- Capacity Reconciliation
- Commodity Reconciliation
- Monthly Balancing Demand Charge Reconciliation
- Usage Reconciliation

- Infield Transfers
- OFO Charges

3. **RG&E Daily Metered Charges**

- Daily Balancing Cashout
- Negative CSC Measurements
- OFO Charges

4. **RG&E Non-Daily Metered Charges**

- Capacity Reconciliation
- Commodity Reconciliation
- Usage Reconciliation
- Infield Transfers
- Negative CSC Measurements
- OFO Charges

5. **Additional Charges**

Regardless of service classification, NYSEG/RG&E could also bill the ESCO for charges such as, but not limited to:

- Additional services rendered on an optional basis, as specified in the appropriate tariff
- Special meter reading charges
- Customer data provided on request
- ESCO late payment charges
- Services provided on a costs and expenses basis
- Prior period adjustments and corrections
- Other rates and charges approved by the NYS PSC and set forth in the appropriate tariffs
- Any penalties as described in the appropriate tariffs
- Services directly requested by customers will be billed directly to the customers unless ESCOs request that those charges be billed to them instead.

6. **Terms of Payment**

ESCO invoices are payable upon presentation and are subject to late payment charges. ESCO/DCs will pay the full amount stated in the invoice, without deduction, set-off or counterclaim, no later than twenty (20) calendar days from the date of the invoice transmittal. Payment for services will be rendered to NYSEG/RG&E by electronic funds transfer.

Credits due to ESCO invoices or overpayments will be refunded to ESCOs via ACH twenty (20) days after bill presentation or receipt of overpayment.

7. Failure to Make Payment

Upon failure of the ESCO/DC to make any payment when due, NYSEG/RG&E may call upon any security that may be available as more fully described in the **UBPs**. In addition, Discontinuance of Service may begin after thirty (30) day's notice.

8. Inquiries

All questions concerning ESCO invoices should be directed to a Supplier Relations Lead Analyst. NYSEG/RG&E's Supplier Relations Department will direct such inquiries to the appropriate areas of responsibility. Responses to billing inquiries will be acknowledged via email, no later than five (5) calendar days from NYSEG/RG&E's receipt of the inquiry.

Section L
Glossary of Terms

A. GLOSSARY OF TERMS

1. Acronyms/Abbreviations

Acronym	Definition
APA	Aggregation Pooling Area
APO	Aggregation Pool Operator
BCF	Billion Cubic Feet
BSA	Billing Service Agreement
BTU	British Thermal Unit (Energy)
CCF	100 Cubic Feet
CSC	Citygate Swing Customer
CSCC	Contribution to Storage Capacity Costs
DAV	Daily Aggregated Volume
DC	Direct Customer
DPO	Delivery Point Operator
Dth	Dekatherm
EBB	Electronic Bulletin Board
EDI	Electronic Data Interchange
ESCO	Energy Service Company
ET	Eastern Time
ETU	Estimated Total Usage
FA	Factor of Adjustment
FERC	Federal Energy Regulatory Commission
FT	Firm Transportation
GRT	Gross Receipts Tax
GSA	General Service Agreement
HDD	Heating Degree Day
IT	Interruptible Transportation
LAUF	Lost and Unaccounted for Gas
LDC	Local Distribution Company
LNG	Liquified Natural Gas
MAOP	Maximum Allowable Operating Pressure

Acronym	Definition
MCF	One Thousand Cubic Feet
MDAPQ	Maximum Daily Aggregation Pool Quantity
MDDQ	Maximum Daily Delivery Quantity
MDPQ	Maximum Daily Pooling Quantity
MDQ	Maximum Daily Quantity
MDSQ	Maximum Daily Standby Quantity
MDTQ	Maximum Daily Transport Quantity
MMBTU	One Million British Thermal Unit
MMcf	One Million Cubic Feet
MSC	Maximum Storage Capacity
NAESB	North American Energy Standards Board
NYSEG	New York State Electric & Gas Corporation
NYMEX	New York Mercantile Exchange
NY PSC	New York State Public Service Commission
OFO	Operational Flow Order
OPCO	Operating Company
PDQ	Peak Day Quantity
PoD ID	Point of Delivery Identification
POR	Purchase of Receivables
RG&E	Rochester Gas and Electric Corporation
SA	System Alert
SC	Service Class
TAQ	Total Annual Quantity
Th	Therm or 100,000 Btu (Energy)
TS	Transition Surcharge
TSF	Tax Surcharge Factor
UBP	Uniform Business Practices
UFE	Unaccounted For Energy
WACOC	Weighted Average Cost of Capacity

2. Terms

Term	Definition
Affiliate Transaction	Transactions that involve the provision, sale, assignment, transfer, or lease of goods, services or other assets between NYSEG/RG&E and their parent company and subsidiaries. Affiliate transactions will be at arms-length, that is, there will be no disadvantage to NYSEG/RG&E and no preferential treatment give to the parent company or any of their subsidiaries.
Aggregation Group	A group of customers who have contracted with a specific ESCO who combines the customers' load for purposes of nominations, scheduling reconciliation of monthly imbalances and supplemental supply billing (Equivalent to a Marketer Pool). This term has the same meaning as "Aggregation Pool" for Non-Daily Metered Customers and "Pool" for Daily Metered Customers.
Aggregation Pool	A group of customers who have contracted with a specific ESCO who combines the customers' load for purposes of nominations, scheduling reconciliation of monthly imbalances and supplemental supply billing (Equivalent to a Marketer Pool).
Aggregator (Supplier)	Any party that is approved by the Local Distribution Company (LDC) to deliver gas supplies to an Aggregation Group. This term has the same meaning as "Aggregation Pool Operator" for Non-Daily Metered Customers and "Pool Operator" for Daily Metered Customers.
Alternative Billing Arrangement	Billing options that allow a customer to receive either Single Bill or a Consolidated Bill.
Annual Period	The 12 months beginning with the month in which the customer first receives service under the applicable Service Classification and each succeeding 12-month period.
Balancing	A process which reconciles the amount of natural gas delivered (nomination) with the actual customers use (recorded or ETU calculation).
Baseload	As applied to gas, the portion of a customer's or group of customers' load which does not vary seasonally or in response to variation in temperature.
Billing Services Agreement	The standard form of agreement between the Company and the ESCO, where the ESCO provides the Single/Consolidated Bill, which sets forth the rights, duties, and obligations of the Company and the ESCO.
Billing Processing Credit	A per bill credit for the Customer where the Customer elected a Single/Consolidated Bill.

Term	Definition
British Thermal Unit	The quantity of heat required to raise one pound of water (about one pint) one degree Fahrenheit at or near its point of maximum density. It is common in the natural gas industry to use the general/average value of 1,034 Btu = 1 Cubic Foot.
Capacity	Space on a pipeline allowing the Company or shippers to move gas from a receipt point to citygate for distribution on the Company's system.
Capacity Release	A mechanism by which holders of firm interstate transportation capacity can relinquish their rights to utilize the firm capacity to other parties that are interested in obtaining the right to use that capacity for a specific price, for a given period of time and under a specifically identified set of conditions. The firm transportation rights may include transmission capacity and/or storage capacity.
Cashout	Procedures by which the Company and ESCOs resolve imbalance through cash payments.
Citygate	The point of interconnection between a pipeline and a local distribution company.
Citygate Swing Balancing	Utilizing storage assets and associated transportation capacity to balance the difference between Estimated Total Usage of ESCO customers and the gas nominated by the ESCO to the Company system. Difference may be positive (injection) or negative (withdrawal).
Consolidated Bill	A bill including all charges for the Company and all charges for an ESCO when one (1) or more services are Retail Access.
Consolidated Billing	A billing option that provides customers with a single bill from the utility combining charges from more than one service provider.
Consumption Algorithm	A mathematical formula used to calculate a customer's daily consumption based on a customer's historical baseload and heat use per effective degree day factors.
Core Customer(s)	A Customer that has no viable alternate fuel and relies on the Company for gas delivery and/or commodity service.
Critical Care Customer(s)	A Customer(s) which heats all or any portion of any building, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels, and other buildings where persons may dwell on a permanent basis, solely with natural gas (aka "Human Needs Customer).
Critical Day	A critical day exists when the LDC declares an Operational Flow Order (OFO).

Term	Definition
Critical Period	A period of operational stress or impending potential stress that may impact the integrity of the LDC's gas distribution system or a force majeure event.
CSC Balancing Service	The process wherein the ESCO accommodates the difference, on a daily basis, between the actual usage of the ESCO's customers and the quantity of gas delivered by the ESCO to Company's distribution system, using No-Notice Storage assets held on Dominion Transmission, Inc. (DTI).
Cubic Foot	The amount of gas required to fill a volume of one cubic foot under staged conditions of temperature, pressure and water vapor, usually referred to 14.7 PSI and 60 degrees Fahrenheit. It is common in the natural gas industry to use the general/average value of 1 Cf = 1,034 Btu.
Curtailment	The reduction of gas deliveries to 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 and/or the Company's distribution system.
Customer	Any party desiring or taking gas service from an ESCO or NYSEG/RG&E.
Daily Aggregated Volume	DAV – the quantity of gas, adjusted for losses, that the Company instructs an Aggregation Pool Operator to deliver to the Company at the Receipt Point(s).
Daily Balancing Service	The process wherein the Company accommodates the difference, on a daily basis, between the actual usage of the ESCO's customers and the quantity of gas delivered by the ESCO to the company's distribution system.
Daily Metered Customer	A customer with a Metretek telemetering device, whose usage is retrieved daily.
Degree Days, Heating	A measure of deviation in temperature used to indicate the need for gas to serve heating loads. The number of degree days on a day is calculated by subtracting the average daily temperature from 65 degrees Fahrenheit.
Dekatherm	A unit of heating (or thermal) value equal to 10 Therms or one million Btu (1 MMBtu). 1 MMBtu = 1 Dth (or dth).
Design Day	A 24-hour period of demand which is used as a basis for planning gas capacity requirements for the highest demand a system area could experience.

Term	Definition
Direct Customer	A transportation customer who acts on its own behalf to purchase and arrange to bring natural gas to the Company's citygate for its own consumption and not for resale. A Direct Customer may aggregate and schedule load for itself and other Direct Customers, but each Direct Customer continues to be responsible individually for meeting balancing and other requirements placed on Direct Customers.
Discontinuance	An act that the Company performs to physically discontinue service to a customer (the act of carrying out the suspension of service).
Dispute Resolution	The process of resolving disputes between parties.
Distribution Line	Company-owned pipelines which deliver gas directly to a Customer's facility.
Dual Billing	A billing option that provides for separate calculation of charges and presentation of bills to the customer by the utility and the ESCO.
Dual-Fuel Capability	The ability of a commercial or industrial customer to burn natural gas and other fuels, usually coal or fuel oil, at its option.
Electronic Data Interface	An electronic communication system that provides standards for exchanging data via any electronic means.
ESCO	An Energy Service Company that is responsible for arranging gas deliveries to the LDC citygate.
ESCO Billing Services Agreement	The standard form of agreement between the Company the ESCO, where the ESCO provides the Single/Consolidated Bill, which sets forth the rights, duties, and obligations of the Company and the ESCO.
Estimated Total Usage (ETU)	The estimated or actual daily consumption of an Aggregation Group calculated by the Consumption Algorithm and forecast heating degree days.
Factor of Adjustment	The difference between the quantity of gas available from all sources (purchased, transported, and locally produced) and the quantity accounted for by sales or company uses. Lost and unaccounted for gas is primarily associated with leakage, metering inaccuracies and theft.
Federal Energy Regulatory Commission	An independent federal agency created in 1977 which regulates, among other things, interstate wholesale sales and transportation of natural gas at "just and reasonable" rates.
Firm Service	The highest quality sales or transportation service offered to customers under a rate schedule that anticipates no interruption in that service.
Force Majeure	A superior force, "act of God" or unexpected and disruptive event, which may serve to relieve a party from a contract or obligation.

Term	Definition
Forecast Daily Requirement	The estimated daily consumption of an Aggregation Group calculated by the Consumption Algorithm and forecast effective degree-days.
Fuel Loss	The amount of gas lost in a distribution system or pipeline.
Gas Confirmation Process	The process by which a natural gas ESCO's nomination to the LDC citygate is verified by the pipelines and the LDC upstream and downstream along the path of the gas ESCOs. The LDC confirms the ESCO nomination with the Companies in GTS.
Gas Day	A period of twenty-four consecutive hours beginning at 10 a.m. Eastern Time and ending at 10 a.m. Eastern Time, the next calendar day.
Gas Industry Standards Board	A nonprofit North American industry association whose mission is "to develop and promote standards to simplify and expand electronic communications, and to simplify and streamline business practices that will lead to a seamless marketplace for natural gas."
Gas Week	Usually the last full week each month when all parties (LDCs, ESCOs, shippers, etc.), firm up and finalize their required gas purchases and transportation arrangements for the upcoming month.
Grandfathered Capacity	Primary Point Capacity held by an ESCO as of September 1, 2007 used to meet requirements of Mandatory Capacity Release.
Gross Receipts Tax	Comprised of New York State imposed taxes including Gross Income Tax, Gross Earnings Tax Surcharge on Gross Revenue, Excess Dividends Taxes – plus where applicable, Metropolitan Transportation Business Tax Surcharge and Municipal Tax. (aka Tax Surcharge Factor).
Home Energy Fair Practices (HEFPA)	The Home Energy Fair Practices Act (HEFPA) is New York's utility consumer "Bill of Rights." Adopted in 1981 to establish and consolidate in Article 2 of the Public Service Law, HEFPA outlines the basic rights and remedies of New York's residential utility energy consumers.
Human Needs Customer	A Customer who heats all or any portion of any building, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels, and other buildings where persons may dwell on a permanent basis, solely with natural gas (aka "Critical Care Customer").

Term	Definition
Imbalance	The difference, on a daily or monthly basis, between the Customer's actual pool usage, grossed up for losses, and the quantity of gas delivered by the ESCO to the distribution system. A positive imbalance occurs when the quantity received exceeds the quantity delivered. A negative imbalance occurs when the quantity delivered exceeds the quantity received.
Import Tax	New York State tax imposed on volumes of gas owned by the Customer and transported into New York State via interstate gas pipelines. The tax is state mandated and remitted to New York State by the Company.
Infield Transfer of Stored Gas	Transfer of gas to or from an ESCO's storage account back to or from the Company's storage account. There are two types of Infield Transfers: 1) Buyback – transfer of gas from an ESCO's storage account to the Company's storage account, and 2) Increment – transfer of gas from the Company's storage account to an ESCO's storage account.
Interruptible Service	Transportation service subject to interruption for lack of gas supply or pipeline capacity at the insistence of the gas seller or the pipeline as the case may be. (In the context of a gas purchase contract, it is sometimes referred to as "best efforts" service).
Interruption	A gas supply delivery failure, which may be caused by a variety of reasons. A transportation customer's Pool Operator or Aggregation Pool Operator assumes the responsibility for insuring the delivery of gas to the Company's system, and if the gas is not delivered, it has been interrupted. The Customer's ESCO is responsible for notifying the Customer of this type of interruption. The Company's "Interruptible" rate Customers may also experience interruptions due to Company imposed limitations or constraints. This type of interruption is specifically identified. The Company's "Firm Transportation" Customers are not generally subject to Company interruption.
Incremental Cost	The cost associated with NYSEG/RG&E producing one additional unit of a good or service.
Interstate Gas	Natural gas transported on interstate pipelines and consumed in a state other than the one in which it is produced.
Intrastate Gas	Natural gas produced, sold, transported and consumed in the same state without being transported in interstate commerce and not made subject to Federal (FERC) jurisdiction.

Term	Definition
Involuntary Switch	A process or situation where a Customer is switched to another provider without the Customer's authorization
Line Loss	The amount of gas lost in a distribution system or pipeline.
Line Pack	Inventory of gas in a pipeline or in a gas distribution system.
Liquefied Natural Gas	Natural gas which has been liquefied by reducing its temperature to minus 260 degrees Fahrenheit at atmospheric pressure. It remains a liquid at minus 116 degrees Fahrenheit and 673 psig. In volume, it occupies a volume 1/600 of that of the vapor.
Load Factor	The ratio of the average consumption to maximum consumption for the same time period. Most commonly, the average annual daily consumption divided by the maximum daily consumption during a 12-month period.
Local Distribution Company	The Company whose primary function is to distribute natural gas supply procured by the Company or by an ESCO/DC to retail gas users. LDCs also provide transportation service to retail customers as well as other services.
Local Production Gas	Gas produced and delivered within New York State. Not subject to Federal agency (FERC) regulations or New York State import tax.
Lost and Unaccounted For	The difference between the total gas available from all sources, and the total gas accounted for as sales, net interchange, and Company use. This difference includes leakage or other actual losses, discrepancies due to meter inaccuracies, variations of temperature and/or pressure, and other variants, particularly due to measurements being made at different times. In cycle billings, an amount of gas supply used but not billed at the end of a period.
Mandatory Capacity Release	A Non Daily Metered Aggregation Customer or any Daily Metered Critical Care/Human Needs Customer without an alternate fuel
Market Participants	LDCs, ESCOs or their agents, Direct Customers and pipelines involved in bringing gas to an LDC's citygate.
Maximum Allowable Operating Pressure (MAOP)	The maximum pressure at which a gas system may be operated.
Maximum Daily Aggregation Pool Quantities (MDAPQ)	The sum of the applicable MDTQs of all Customers in an Aggregation Pool.
Maximum Daily Pool Quantity (MDPQ)	The sum of the applicable winter or summer Maximum Daily Transportation Quantities of all the Customers in a Pool.
Maximum Daily Standby Quantity (MDSQ)	The maximum daily quantity of firm sales that the Company is obligated to provide to the Customer or Pool Operator (NYSEG only).

Term	Definition
Maximum Daily Transportation Quantity (MDTQ)	The maximum quantity of gas the Company is contractually obligated to provide the Customer on a Design Day.
Maximum Storage	An Aggregated Pool Operator's pro-rata share of the allocated storage capacity.
Metretek	Brand of telemetering equipment, which relays electronic measurement information via telephone line on a daily basis (aka "Recorder").
Natural Gas Aggregator	A natural gas ESCO who combines the gas requirements of multiple Non-Daily Metered Customers per Aggregation Pooling Area.
Negative Imbalance	Quantity of gas delivered (consumption) in excess of the quantity of gas received by the Company.
New York Mercantile Exchange	The commodity exchange based in New York City where the natural gas futures and options contract and other energy futures are traded.
Nomination	A shipper's request to move a certain volume of natural gas on a pipeline during a given period.
Non-Daily Metered	A Customer whose usage is not recorded daily.
Normal Degree Day	Estimated (normalized) degree-days for a given day based on a historical average.
Normalized	Adjusted for weather using weather normalization (degree-day) factors.
North American Energy Standards Board	Serves as an industry forum for the development and promotion of standards which will lead to a seamless marketplace for wholesale and retail natural gas and electricity, as recognized by its customers, business community, participants, and regulatory entities.
Operational Flow Order	Orders issued by a pipeline or LDC in difficult operational circumstances to protect the integrity of its gas system, either by restricting service or requiring affirmative action by shippers.
Peak Day	The day in which the highest volume of gas is delivered into the utility's system in order to meet usage demands during a specific time period. Related to operational deliverability of the entire system.
Peak Month	The month in which the highest volume of gas is delivered into the utility's system in order to supply usage demands.
Pipeline Quality Gas	A term used to designate a fuel gas compatible with natural gas from pipelines. This gas can be substituted for methane. With respect to synthetic pipeline gas, a gas that meets the specifications for methane interchangeability.

Term	Definition
Point of Delivery Identification	A customer's unique identifier assigned by NYSEG/RG&E, referred to as PoD ID.
Pool	A group of customers who have contracted with a specific ESCO who combines the customers' load for purposes of nominations, scheduling reconciliation of monthly imbalances and supplemental supply billing (Equivalent to a Marketer Pool).
Pooling Area Imbalance	The difference between the quantity of gas delivered by the Company and the quantity of gas received by the Company for all associated Daily Metered Pools.
Pooling Point	A physical or logical point where gas is aggregated from many receipt points to serve a number of contracts without tying a particular receipt point to a particular contract includes places where title passes from the gas merchant to the shipper, or where aggregation, balancing and penalties are determined.
Positive Imbalance	Quantity of gas delivered (consumption) is less than the quantity of gas received by the Company.
Primary Point	A point identified on a Transportation Contract where the shipper has firm entitlements.
Pro-Rata Allocation	Methodology that allows all customers within a defined group or pool to receive the same proportion of gas available as their portion of total volumes under contract (as opposed to first-come, first served).
Purchase of Receivables	A program to be implemented as of January 1, 2005, whereby NYSEG/RG&E will purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs who provide commodity service in NYSEG/RG&E's service territory. For ESCOs who have been participating in RG&E's Utility-Consolidated Billing option as of this effective date. RG&E will also purchase those ESCOs' arrearages at a discount and without recourse.
Receipt Point	The point at which gas is delivered into a pipeline, such as the interconnection between a producer's production (or processing) facilities and the pipeline system.
Retail Access	A service where the ESCO provides electric and/or gas supply and the Company provides delivery service for such supply.
Sales Customer Status	Customer pays pipeline capacity demand charges for the right to return to the Company's sales tariff and buy sales gas in the event Customer owned transportation gas is not available. (NYSEG only).
Sales Reservation	The Company's bundled service of both delivery and supply as offered under the Company's tariffs.

Term	Definition
Standby Service	The character of service whereby a Customer may purchase an agreed upon amount of firm sales gas up to the amount which the Customer has reserved from the Company (NYSEG only).
Single Bill	One (1) bill containing both Company charges and ESCO supply charges for either gas or electric Retail Access service.
Slamming	The term used to refer to switching a retail customer from one provider to another without the customer's authorization.
Space Heating Customer	Customer with more than 50% of usage experience between November 1 through March 31.
Special Meter Reading	A service provided to obtain an actual meter reading at the customer's premises on a date that is different than the customer's regularly scheduled meter reading date.
Special Needs Customer	A customer, as defined by the Home Energy Fair Practices Act (HEFPA), who requires electrically operated life-sustaining equipment, has a medical emergency, or is elderly, blind or disabled.
Switching Fee	A fee charged to a customer, by NYSEG/RG&E, if they voluntarily switch from one ESCO to another ESCO, from one ESCO to NYSEG/RG&E or from NYSEG/RG&E to an ESCO.
System Alert	An announcement of actual or pending events that if unchecked may result in an OFO.
System Constraints	The percentage of gas that must be delivered on each pipeline to ensure the safety and reliability of the physical system.
System Load Forecast	Daily estimate of total citygate usage.
System Losses	See Factor of Adjustment and LAUF.
Tariff	The general terms, conditions and rates under which the Companies provide service to its Customers. The tariff is reviewed and approved by the New York State Public Service Commission.
Tax Surcharge Factor (TSF)	See Gross Receipts Tax
Therm Factor	An energy content factor of natural gas. Heat content factor applied to ccf (hundred cubic feet) of gas to convert the volume of gas to the quantity of energy (therms) that it contains. The therm factor changes depending on the heat content of gas. State officials verify heat-content-measuring instruments for accuracy. The companies read gas meters in ccf and bills in therms. Typically, one ccf equals 1.03 therms.
Throughput	The volume of gas that flows through a pipeline or distribution.

Term	Definition
Weighted Average Cost Of Capacity (WACOC)	The weighted average cost of capacity is calculated and becomes effective April 1 of each year for the subsequent twelve (12) month period based on the Company's upstream portfolio of capacity assets.