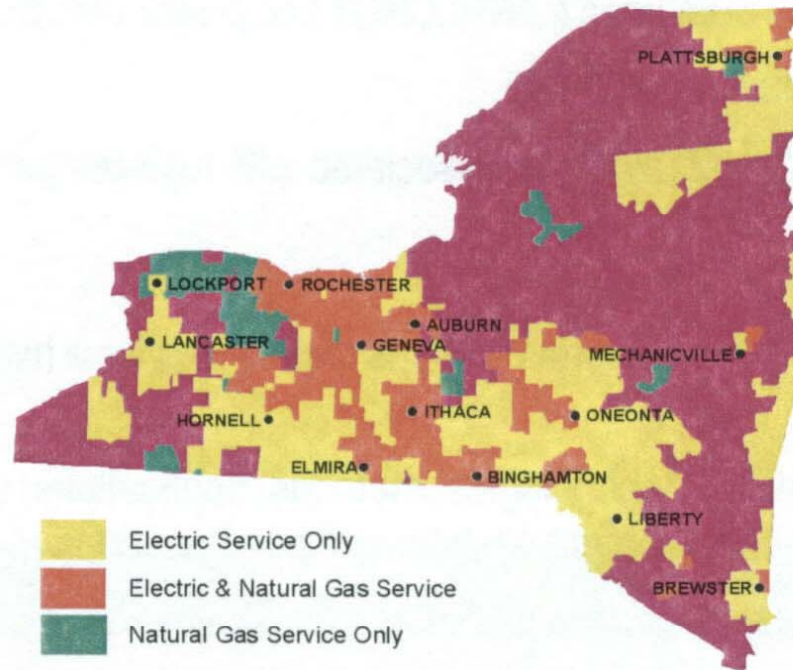
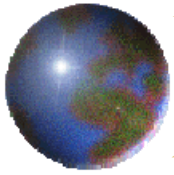
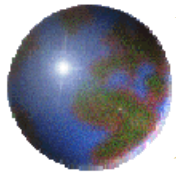


DISTRIBUTED GENERATION PILOT PROGRAM PSC ORDER 01-5



NYSEG

RGE
AND

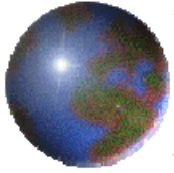


Attract DG Participants

- ⊕ Pre Qualified 15 DG Developers
- ⌚ Offered long term (5 Year) Agreements
- ⌚ Offered the use of company property (where possible)

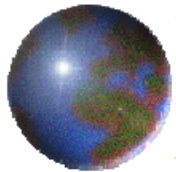
DG Project Selection

- ⌚ Service area has little or no load growth
- ⌚ Limited Potential DG Projects
 - ▣ An alternative to replacing or upgrading distribution infrastructure
- ⌚ Projects in 2-3 MW Capacity Relief
 - ▣ Potential Customer CHP Range



NYSEG Results

| YEAR | RFP | CAPACITY | LOCATION | RESULTS |
|------|---------------|----------|----------|--------------|
| I | Planning Only | - | - | - |
| 2 | RFP #1 | 2 MW | Pawling | No Responses |
| 3 | RFP #2 | 2 MW | Elmira | No Responses |



RG&E Results

| YEAR | RFP | CAPACITY | LOCATION | RESULTS |
|------|---------------|----------|----------------------------|-----------------|
| I | Planning Only | - | - | - |
| 2 | RFP #1 | 3 MW | Seabreeze/ Irondequoitt | No Responses |
| 3 | RFP #2 | 3 MW | Station III/ Perinton | No Responses |
| | RFP #3 | 2 MW | Station83/ Brighton | No Responses |