

PSC No: 16 - Gas
 Rochester Gas and Electric Corporation
 Initial Effective Date: June 1, 2017
 Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016.

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 Revision: 0
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GENERAL INFORMATION

10. GENERAL RETAIL ACCESS (Cont'd)

G. Gas Balancing Service (Cont'd)

(4) S.C. No. 10 Balancing Service (Cont'd)

(b) S.C. No. 10 Daily Balancing Service consists of the following factors:

(iii) Daily Cashout (Cont'd)

(B) Daily Surplus Imbalances:

<u>Imbalance Level</u>	<u>Rate per Therm of Imbalance</u>
Greater than 5% to 10%	80% of the midpoint index price plus variable transportation charges (commodity plus fuel) to the Company's citygates. The relevant indices and specific calculation are established in the Company's GTOP Manual. In addition, the ESCO shall pay the Company a pro-rata share of any upstream pipeline-imposed penalties that the Company may incur as a result of the surplus imbalance.
Greater than 10%	70% of the midpoint index price plus variable transportation charges (commodity plus fuel) to the Company's citygates. The relevant indices and specific calculation are established in the Company's GTOP Manual. In addition, the ESCO shall pay the Company a pro-rata share of any upstream pipeline-imposed penalties that the Company may incur as a result of the surplus imbalance.

(iv) Daily Cashout Under Operational Flow Order (OFO) Conditions

(A) Daily Imbalances during a Type I OFO:

During an OFO, the Daily Cashout Calculation as set forth in Rule 10.G.(4)(a), shall be suspended, and each ESCO's imbalance shall be cashed-out according to 10.G.(4)(b)(iii).

(B) Daily Surplus Imbalances during a Type II OFO:

During an OFO, the Daily Cashout Calculation as set forth in Rule 10.G.(4)(a), shall be suspended, and each ESCO's imbalance shall be cashed-out according to 10.G.(4)(b)(iii).

(v) Balancing Charge

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

(A) The FTNNGSS deliverability portion of the balancing charge is calculated by:

$$BC_{FTNNGSS} = (T_{DDAY} * B_{TOL} * R_{FTNNGSS}) / T_{ANNUAL}$$

Where:

$BC_{FTNNGSS}$ = the FTNNGSS portion of the balancing charge.
 T_{DDAY} = the design day throughput in DT for all Customer service points which are being served under S.C. No. 10 and are included in a Daily Balancing Balance Control Account.
 B_{TOL} = the tolerance band for Daily Balancing Service.
 $R_{FTNNGSS}$ = the annualized DTI FTNNGSS I reservation charge per DT.
 T_{ANNUAL} = the total forecasted annual throughput for all Customer service points which are being served under S.C. No. 10 and are included in a Daily Balancing Balance Control Account.