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PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: November 1, 2011

Leaf No. 85.3

Revision: 3

Superseding Revision: 2

Issued in compliance with order in Case 11-E-0176 dated September 19, 2011.

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.4 EMPIRE ZONE RATES (Cont'd)

OTHER

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

A qualified customer will be eligible to receive the Empire Zone Rate rates for no more than ten years from the initial date of New York State eligibility, as stated on their zone certificate, or until a customer's initial certification becomes invalid. The Company reserves the right to establish a means of periodically verifying the validity of a customer's certificate.

An electric customer with an RG&E approved submeter who submeters electricity to customers certified under this program is eligible for Empire Zone Rate rates for the submetered portion of that customers purchases, as authorized by the zone administrator, subject to appropriate allocation of rate benefits to the submetered customers.

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

L.5 Recharge New York ("RNY") Power Program

Chapter 60 (Part CC) of the Laws of 2011 created the Recharge New York ("RNY") Power Program and under the RNY Power Program, NYPA is authorized to, among other things, allocate and sell up to 910 megawatts ("MW") of RNY Power to customers as provided for in Public Authorities Law § 1005(13-a) and Economic Development Law § within the entire service territory.

RNY Power currently consists of:

- (i) 455 MW of certain firm hydroelectric power (i.e. capacity and energy) from the Niagara and Saint Lawrence hydroelectric projects; and
- (ii) $455\,MW$ of power (i.e. capacity and energy) procured by NYPA through market sources , or supplied by the Company or an ESCO.

Such implementation is conditioned upon entry by the Company and NYPA into a "Recharge New York Agreement" and upon the physical availability of RNY Power. Eligibility of individual customers is also conditioned upon compliance with the Eligibility Criteria described below

ELIGIBILITY

Effective July 1, 2012:

A. A customer otherwise qualifying under Service Classification Nos. 3, 7, 8 or 14 that has met the requirements of the Economic Development Power Allocation Board ("EDPAB"), together with all additional approvals pertaining to such recommendation, that pursuant to Chapter 60 (Part CC) of the Laws of the New York Laws of 2011, qualifies the customer to receive an allocation of RNY from NYPA, and remain in compliance with any applicable requirements therein; and

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