Received: 10/01/2009 Status: CANCELLED Effective Date: 10/02/2009

PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: October 2, 2009

Leaf No. 210.1.1

Revision: 4

Superseding Revision: 2

Issued in compliance with order in Case 09-E-0228 issued and effective September 28, 2009

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

1. ESCO Price Option (EPO) (Cont'd)

(e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

Interim Reconciliation Adjustment

The NBC as set forth above will be adjusted as described in the Commission's Orders in Case 09-E-0228 dated 5/18/09 and 9/28/09.

Each month the Company will examine the forecasted year-end difference between the NBC dollars the Company expects to collect and an updated forecast of NBC dollars. If the expected under- or over-collection exceeds \$10 million for all Service Classifications, an interim reconciliation adjustment will be applied to the NBC for all customers. Such adjustment will be implemented in the following month.

Any remaining reconciliation that is required for 2009 will be reflected in the calculation of the 2010 NBC.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than one (1) day's notice. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

2. ESCO Option with Supply Adjustment (EOSA)

This Retail Access choice consists of the charges described under Electricity Supply Pricing Option No. 3, RG&E Fixed Price Option (FPO), a Supply Adjustment in the form of a Market Based Backout Credit ("MBBC"), and a Retail Access Credit ("RAC"). The MBBC, as described in Rule 11.C.10 of this Schedule, fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. Electricity supply is provided by an ESCO.

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