

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2009
Issued in compliance with order in Case 09-E-0228 issued and effective May 18, 2009

Leaf No. 174.1.1
Revision: 2
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 4

RESIDENTIAL SERVICE - TIME-OF-USE RATE (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 on June 1, 2009, as described in the Commission's Order in Case 09-E-0228 dated 5/18/09.

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 EPO, VPO and Hourly Pricing 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.

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply and a Bill Issuance Charge. Electricity supply is provided by RG&E.

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