

PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
 Initial Effective Date: September 26, 2010
 Issued in compliance with Order in Case 09-E-0717 dated September 21, 2010

Leaf No. 180
 Revision: 2
 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 5 (Cont'd)
BUY-BACK SERVICE

RATE TO BE PAID BY THE CORPORATION: (Per Month)

Energy Payment

$$\sum_{h=1}^n ((\text{Day Ahead LBMP}_h * S_h) + (\text{Real Time LBMP}_h * (Q_h - S_h)) - \text{Incurred Cost}_h)$$

Whereby:

- 1) If the customer's generator is PTID Eligible but has not obtained a PTID

Day Ahead Locational Based Marginal Price ("Day Ahead LBMP_h") is the NYISO hourly Day Ahead LBMP applicable to the lowest priced generator bus in the same zone as the customer's generator;

Hourly Real Time Locational Based Marginal Price ("Real Time LBMP_h") is the NYISO hourly Real Time LBMP applicable to the lowest priced generator bus in the same zone as the customer's generator;;

Incurred Cost is any charges assessed by the NYISO applicable to the customer;

S_h is the Cogenerated Energy quantity scheduled, in MWh, by NYSEG upon the written request of cogenerator, for each specific hour, in the NYISO in the Day Ahead market, whereas the cogenerator shall provide a written schedule by noon two business days prior to the day for which the schedule applies;

Q_h is the Cogenerated Energy quantity delivered, in MWh, to the Delivery Point for a specific hour;

h is the respective hour in each month; and

n is the number of hours in each month.

- 2) If the customer's generator has a PTID

Day Ahead Locational Based Marginal Price ("Day Ahead LBMP_h") is the NYISO hourly Day Ahead LBMP applicable to the customer's generator bus;;

Hourly Real Time Locational Based Marginal Price ("Real Time LBMP_h") is the NYISO hourly Real Time LBMP applicable to the customer's generator bus;

Incurred Cost is any charges assessed by the NYISO applicable to the customer;

S_h is the Cogenerated Energy quantity scheduled, in MWh, by NYSEG upon the written request of cogenerator, for each specific hour, in the NYISO in the Day Ahead market, whereas the cogenerator shall provide a written schedule by noon two business days prior to the day for which the schedule applies;

Q_h is the Cogenerated Energy quantity delivered, in MWh, to the Delivery Point for a specific hour;

h is the respective hour in each month; and

n is the number of hours in each month.

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