

PSC No: 18 - Electricity  
Rochester Gas and Electric Corporation  
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## **SERVICE CLASSIFICATION NO. 2**

### **STREET LIGHTING SERVICE - CUSTOMER-OWNED EQUIPMENT (Cont'd)**

#### **4. RG&E Variable Price Option (VPO) (Cont'd)**

##### Electricity Supply Charge

The charge for electricity supply service under the VPO will fluctuate with the market price of electricity and will include the following components: energy, capacity, capacity reserves, line losses and unaccounted for energy. Customers will be charged for energy based on their class deemed load shape using day-ahead prices. They will be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility. Customers will be charged for losses, company use and unaccounted for energy by multiplying the energy and capacity costs by a loss factor for their voltage level.

In the event that RG&E determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, RG&E will credit or recover the full amount of the estimated gain or loss through the TC from VPO customers.

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