Received: 09/16/2008

Status: CANCELLED Effective Date: 10/01/2008

PSC No: 18 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: October 1, 2008

Leaf No. 26.2.1

Revision: 0

Superseding Revision:

Issued in compliance with order in Case 03-E-0765 issued and effective August 28, 2008

SERVICE CLASSIFICATION NO. 1 (Cont'd)

STREET LIGHTING SERVICE

3. RG&E Fixed Price Option (FPO) (Cont'd)

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 18 - Electricity).

Electricity Supply Charge

Effective through December 31, 2008:

Pursuant to RG&E's Electric Rate Joint Proposal, as defined at Rule 12 of Schedule PSC 19 - Electricity, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

Effective beginning January 1, 2009:

Pursuant to RG&E's Electric Rate Joint Proposal and the Order modifying Fixed Price Offer Case 03-E-0765, the fixed commodity component of the FPO will be determined after the 20 trading days prior to the final trading day in October, to be effective January 1 of the upcoming Commodity Rate Period.

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission prior to January 1 of each year.