

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: March 15, 2006

Leaf No. 150.1
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 10

GAS SERVICE-POINT TRANSPORTATION SERVICE (Cont'd):

5. Rate Per Month

a) Transportation Charge:

S.C.No. 10 Monthly Usage	Transportation Rate	Transportation Rate High Pressure Option	Transportation Rate Economic Development Zone Rider
All Therms	\$0.014585	n/a	n/a

This charge will be fixed for the initial term of service.

b) Value Added Charge

The Value Added Charge is a unitized per decatherm rate, derived from the increase in the Spark Spread from the Base Year to the Test Year. The Value Added Charge is applied to every decatherm delivered by the Company to the Customer [or the Customer's Annual Minimum Bill Obligation, whichever is greater,] during the Effective Period.

The Value Added Charge for the first year of operation for any customer will equal the Annual Total Value Added Charge for the Test Year divided by the number of decatherms the Company estimates it will deliver to the Customer during the Effective Period.

The Value Added Charge for all Effective Periods after the initial year of operation will be calculated as follows: The Reconciliation Charge will be subtracted from the Total Value Added Charge for the Test Year. The resulting difference will be divided by the number of decatherms the Company delivered to the Customer during the Effective Period.

Monthly Total Value Added Charge: The Base Year Spark Spread is subtracted from the Spark Spread for each hour of the Test Year. Five percent (5%) of this difference is multiplied by the Company estimate of what it will deliver to the customer during the Effective Period. If such monthly value is less than or equal to zero, the Monthly Total Value Added Charge for that month will equal zero. If such monthly value is greater than zero, such monthly value is the Monthly Total Value Added Charge for that month.

Annual Total Value Added Charge: The addition of the Monthly Total Value Added Charges for the twelve months in the Test Year.

Reconciliation Charge: The total of the Value Added Charges collected from the Customer during the Calendar Year subtracted from the total of the Value Added Charges that would have been collected had the Value Added Charge been calculated based on the actual Spark Spreads during the Calendar Year.

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