PSC No: 17 - Gas Rochester Gas and Electric Corporation Initial Effective Date: June 1, 2003 Leaf No. 109 Revision: 0 Superseding Revision:

SCHEDULE A

GAS SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

OTHER CHARGES (Cont'd)

- D. <u>PSC Transition Cost Surcharge</u> (Cont'd)
 - 3. Surcharge for Service Classification No. 5 Service Points (Cont'd)
 - d) The total Differential recovery cost per therm is calculated by dividing the total cost in (c), above, by the total normalized volumes of gas delivered to the following Retail Customers:
 - i) Customers taking service under Service Classification No. 1 of the Distribution Provider's Schedule for Gas Service - P.S.C. No. 16 ; and
 - Retail Customers taking service under Service Classification No. 4 of the Distribution Provider's Schedule for Gas Service P.S.C. No. 16, who are subject to the gas cost adjustment; and
 - iii) Retail Customers being served by Distribution Customers taking service under Service Classification No. 5.
 - e) The total costs associated with ANR storage and transportation assets to be recovered through this PSC Transition Cost Surcharge shall be computed monthly as follows:

$$ANR = (BC_{CG} * T_{SC3}) - (BC_{CG} * T_{CG}) - [BC_{DY} * (T_{DY} + T_{CSC})]$$

where:

- \$ANR = The total costs associated with ANR storage and transportation assets to be recovered through this PSC Transition Cost Surcharge
- BC_{CG} = The charge per therm that would have applied under the former Citygate Balancing Service
- T_{SC3} = The total normalized annual (twelve months rolling average) throughput for all retail customer service points which are being served under Service Classification No. 3.
- T_{CG} = The total normalized annual (twelve months rolling average) throughput for all retail customer service points which are being served under Service Classification No. 3 and are included in a Citygate Balancing Balance Control Account.
- BC_{DY} = The charge per therm for Daily Balancing Service
- T_{DY} = The total normalized annual (twelve months rolling average) throughput for all retail customer service points which are being served under Service Classification No. 3 and are included in a Daily Balancing Balance Control Account.
- T_{CSC} = The total normalized annual (twelve months rolling average) throughput for all retail customer service points which are being served under Service Classification No. 3 and are included in a CSC Enhanced Daily Balancing Balance Control Account.

(Continued on next leaf)

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