PSC No: 19 - ElectricityLeaf No. 160.26Rochester Gas and Electric CorporationRevision: 0Initial Effective Date: October 1, 2004Superseding Revision:Issued in compliance with Order in Cases 03-E-0765, 02-E-0198 and 03-G-0766 dated May 20, 2004

GENERAL INFORMATION

12. COMMODITY PRICING OPTION ENROLLMENTS

RG&E's Electric Rate Joint Proposal, which was approved by the Commission's <u>Order Adopting Provisions</u> of Joint Proposals with Conditions, Cases 03-E-0765, 02-E-0198 and 03-G-0766, issued May 20, 2004 sets forth the electric pricing options available to customers beginning January 1, 2005. Each commodity rate period ("Commodity Rate Period") will be preceded by a three-month Enrollment Period ("Enrollment Period"), summarized as follows:

Enrollment Period	Commodity Rate Period
<u>October 1, 2004 – December 31, 2004</u>	January 1, 2005 – December 31, 2005
<u>October 1, 2005 – December 31, 2005</u>	January 1, 2006 – December 31, 2006
October 1, 2006 – December 31, 2006	January 1, 2007 – December 31, 2007
October 1, 2007 – December 31, 2007	January 1, 2008 – December 31, 2008

Commodity Rate Periods and their respective Enrollment Periods subsequent to those designated above will continue in the above pattern.

A. Commodity Pricing Options

For each Enrollment Period and Commodity Rate Period specified above, RG&E will offer two Retail Access choices and two Non-Retail Access choices, as set forth in this Section 12. The information provided in this Section is an overview of the available commodity pricing options. Additional detail can be found in the individual Service Classification sections in this Schedule. Commodity pricing will be calculated in accordance with RG&E's Electric Rate Joint Proposal.

The Retail Access choices consist of the ESCO Price Option ("EPO") and the Fixed Price Option with a Market Based Backout Credit ("FPO with MBBC").

- 1. <u>ESCO Price Option (EPO)</u>: This Retail Access choice includes a fixed component for RG&E delivery service, a fluctuating Transition Charge (Non-Bypassable Charge ["NBC"] described below), and a Retail Access Credit of \$0.004 per kWh. An ESCO provides Electric Power Supply. (The terms ESCO and Electric Power Supply are defined in Section 1 of this Schedule.)
- 2. Fixed Price Option with a Market Based Backout Credit ("FPO with MBBC", also known as the ESCO Price with Supply Credit): This Retail Access choice applies a Market Based Backout Credit ("MBBC") and a Retail Access Credit ("RAC") to the RG&E Fixed Price rate ("FPO"). The FPO, as further described below, includes a fixed component for RG&E delivery service, a fixed Transition Charge (NBC) and a fixed commodity charge for electricity supplied by RG&E. The MBBC fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. An ESCO provides Electric Power Supply.

The Non-Retail Access choices consist of RG&E's Variable Price Option ("VPO") and RG&E's Fixed Price Commodity Option ("FPO").

- 3. <u>RG&E's Variable Price Commodity Option (VPO)</u>: This Non-Retail Access choice includes a fixed component for RG&E delivery service, a fluctuating Transition Charge (NBC, as described below) and a commodity charge for electricity supplied by RG&E that fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy.
- ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York