

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 1, 2005
Issued in compliance with order in Cases 03-E-0765, 02-E-0198, and 03-G-0766 dated May 20, 2004

Leaf No. 160.8
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

11. GENERAL RETAIL ACCESS - MULTI-RETAILER MODEL (Cont'd)

(b) The RG&E bill will be issued to a Customer in accordance with established billing cycles and practices applicable to such Customer.

(c) A DC or the ESCO acting as an agent for Customers, is responsible for:

(i) obtaining and scheduling Electric Power Supply with the NYISO, and (ii) complying with the provisions herein relating to Operational Issues (Scheduling, Balancing and Settlement) as specified in Rule 11.D.9 of this Schedule, with respect to its or a Customer's Electric Power Supply requirements.

10. Market Based Backout Credit (MBBC):

Any Customer who elects the ESCO Option with Supply Adjustment (EOSA), as described at Rule 12.A.2, will receive an MBBC, as described below.

The MBBC fluctuates with the market price of electricity, and consists of two components:

1. Energy Component:

- (a) For all customers other than those interval metered customers described in (b) below, for each day of the Customer's billing cycle, hourly market prices will be derived from the day ahead NYISO posted Locational Based Marginal Prices (LBMP) of electricity for NYISO Zone B, weighted to reflect hourly usage based on load profiles for the calendar month and day-type (Weekday, Saturday, or Sunday) for the Customer's service classification, or in the case of Service Classification No. 8, for the Customers' voltage class, to develop a weighted average value of market supply, which will then be adjusted to reflect losses. If the Customer's service classification has time-differentiated metered periods, a separate weighted average value of market supply will be developed for each metered period.

The weighted average value of market supply, for the Customer's specific billing period, is multiplied by the Customer's metered kWh usage to determine the value of market supply for each metered period to be credited to the Customer's bill.

- (b) For a customer with an interval meter, who has chosen the EOSA, and who has chosen to have its MBBC calculated using interval meter data, the energy component of the MBBC will be based on its hourly metered usage and the day-ahead market price of energy. Capacity charges will also be based on interval meter data. The energy component is equal to the sum of the hourly metered usage adjusted for system losses multiplied by the hourly commodity cost. The hourly commodity cost includes the New York Independent System Operator (NYISO) Day Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Genesee Zone, the capacity and capacity reserves specific to the customer, and the RG&E UFE excluding system losses. The DAM LBMP prices will be the initial published DAM LBMP prices acquired by the Company.
- (c) The monthly Unaccounted for Energy (UFE) rate per kWh will be based on a forecasted rate for that month plus true-up rates for prior months in accordance with the NYISO billing schedule.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York