

PSC No: 19 - Electricity  
Rochester Gas and Electric Corporation  
Initial Effective Date: July 1, 2019

Leaf No. 249  
Revision: 7  
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Issued in compliance with Order in Case 15-E-0751, dated May 16, 2019.

## **SERVICE CLASSIFICATION NO. 14**

### **STANDBY SERVICE (Cont'd)**

#### **SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION:**

**(a) Demand Metered Customer With Less Than 50 kW of Contract Demand:**

A customer with a Contract Demand of less than 50 kW without interval metering shall be billed at the OASC rate. A customer with a Contract Demand of less than 50 kW can choose to be served at the standby rate, provided that the customer pays all one-time and ongoing costs associated with the purchase and installation of an interval meter, and telecommunication equipment as discussed in the "Metering and Communications Requirements" section of this Service Classification.

**(b) Small Customer Exclusion:**

Small customers, defined as those customers qualifying for service under Service Classification No. 1 – Residential, Service Classification No. 2 - Small General Service, or Service Classification No. 4 – Residential Service – Time-of-Use Rate, shall be billed at the OASC rate instead of the Standby Service rate. This exemption shall be discontinued on May 31, 2021, or upon the date that 150 standby customers are billed under this provision, provided, however, that the discontinuance of this exemption shall not affect any customer that received the exemption prior to the date of discontinuance, which customers shall continue to receive the exemption until the conclusion of the phase-in described in the "Optional Standby Service Rate Phase-ins is Applicable to" section of this Service Classification.

**(c) Power Factor Adjustment:**

Applicable to customers not subject to a reactive charge, if the Company determines that the Customer's equipment is so operated that the maximum kilovolt-amperes of lagging reactive demand exceed 48% of the maximum kW demand during the billing month, the Customer shall remedy that condition in a manner deemed adequate by the Company, by either:

1. Installing and maintaining at its own expense the power factor corrective equipment deemed necessary by the Company to remedy the condition, or
2. Making a cash contribution of the actual reasonable cost of any power factor corrective equipment installed by the Company on its side of the point of delivery to effect such correction.

**(d) Individually Negotiated Contracts:**

**1. Individual Agreements for Customers Considering Isolation**

The Company is authorized to offer individually negotiated agreements for Standby Service to customers that may install back-up generation and disconnect their premises from the Company system in lieu of taking tariff Standby Service. The customer must document that it can physically, environmentally, and economically isolate from the Company's grid by installing and operating back-up generation at a lower cost than paying for Standby Service, and that such option is the alternative the customer shall select if the Company does not offer a negotiated rate alternative. At a minimum, the negotiated rate agreement must provide for recovery of the Company's marginal costs plus a reasonable contribution to the Company's recovery of its fixed costs. The Company shall respond to a customer application for a negotiated rate agreement within 90 days of its receipt with a negotiated rate agreement offer or a written explanation for its rejection of the application. Either party may seek from Staff a non-binding resolution of a dispute over the negotiation of such an individual rate agreement. In the event of a conflict between any provision of an agreement negotiated pursuant to this authority and any inconsistent provision of the Company's Joint Proposal filed April 15, 2003 in Case 02-E-0551 or the standby rate provisions of the Company's tariff on the same subject, the provision of the negotiated agreement shall take precedence and control.