PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: June 19, 2019 Leaf No. 127.46.3 Revision: 7 Superseding Revision: 6

GENERAL INFORMATION

14. REVENUE DECOUPLING MECHANISM (RDM) ADJUSTMENT (Cont'd)

3. Calculation

- a. Each month, actual billed delivery service revenues shall be reconciled to allow weather normalized delivery service revenues. Actual delivery service revenues are defined as the revenue received from base delivery rates (customer charges and per-therm delivery rates). Actual delivery service revenues shall reflect the weather normalization adjustment clause.
- b. At the end of the Rate Year, actual billed revenues by RDM class for the entire Rate Year shall be compared to the cumulative monthly targets for the entire Rate Year. Any variance from the cumulative monthly targets for the Rate Year shall be either surcharged or credited to customers over the 12-monthly periods of the immediately succeeding Rate Year. Surcharges or credits shall be developed on a RDM class basis. Any surcharge or credit amount shall reflect interest at the then effective other customer deposit rate. Any such surcharge or credit under the annual reconciliation or interim reconciliation process (refer to 3.d. below) shall be recovered or returned through RDM class specific rates. Surcharges or credits arrived at in the annual reconciliation shall reflect amounts already surcharged or refunded through the interim reconciliation process.
- c. The first two months of the Rate Year shall be adjusted upward to reverse the effect of proration between old and new rates in actual billed delivery service revenue. The actual billing determinants for each RDM applicable service class shall be multiplied by the approved rates for the Rate Year.

If at any time during the Rate Year the cumulative difference between the actual billed revenues and the cumulative target revenues is 1.50% or more, the Company may file an interim RDM Adjustment for each RDM classification.

Such interim RDM Adjustment shall be limited to no more than one per Rate Year and shall occur over four months or until the end of the Rate Year, whichever is longer.

4. Filing of Statements

- a. A Revenue Decoupling Mechanism (RDM) Statement setting forth the rate adjustment shall be filed with the Public Service Commission on not less than 30 days' notice.
- b. Should the Company file an interim RDM Adjustment as described above, such filing shall occur on not less than 10 days' notice.
- c. Such statement can be found at the end of this Schedule (P.S.C. No. 16 Gas).

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York Cancelled by supplement No. 47 effective 11/24/2020 Suspended to 12/01/2020 by order in Case 19-G-0381. See Supplement No. 46. Th e supplement filing date was 10/22/20 Suspended to 11/01/2020 by order in Case 19-G-0381. See Supplement No. 45. Th e supplement filing date was 8/20/2020 Suspended to 09/14/2020 by order in Case 19-G-0381. See Supplement No. 44. Th e supplement filing date was 06/25/2020 Suspended to 07/16/2020 by order in Case 19-G-0381. See Supplement No. 43. Th e supplement filing date was 03/24/2020 Suspended to 04/17/2020 by order in Case 19-G-0381. See Supplement No. 42. Th e supplement filing date was 03/24/2020