

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: December 1, 2020
Issued in compliance with Order in Case No. 19-G-0381, dated November 19, 2020.

Leaf No. 127.46.2
Revision: 12
Superseding Revision: 10

GENERAL INFORMATION

13. Reserved for Future Use

14. REVENUE DECOUPLING MECHANISM (RDM) ADJUSTMENT

1. Applicable to:

All customers taking service under Service Classification Nos. 1, 3, and 5 shall be subject to a RDM Adjustment as described below.

2. Definitions

- a. Delivery Service Revenue (DSR) Targets – monthly weather-normalized targets shall be developed based on the Company's delivery revenue requirement established in Case No 19-G-0381. Residential customers taking service under Service Classification No. 1 and Service Classification No. 5 shall be combined into monthly DSR Targets. Non-residential customers taking service under Service Classification Nos. 1, 3, and 5 shall be combined into monthly DSR Targets. DSR Targets for each of the Rate Years are set forth in the Joint Proposal dated May 21, 2020 in Case Nos. 19-E-0378, 19-G-0379, 19-E-0380, and 19-G-0381 and approved by the Commission on November 19, 2020. The DSR Target for Rate Year 3 shall repeat annually until changed by the Commission.
- (i) The Company shall have two RDM classes for reconciliation purposes: one residential class consisting of residential Service Classification Nos. 1 and 5 customers; and one consolidated non-residential class consisting of non-residential Service Classification Nos. 1, 3, and 5 customers.
- b. "Delivery Revenues" - For the purpose of RDM, Delivery Revenues shall be measured as the sum of the billed base delivery revenues from all customers for each RDM classification (customer charges and per therm delivery rates). For purposes of this calculation, revenues related to the System Benefits Charge (SBC), Rate Adjustment Mechanism (RAM), Merchant Function Charge (MFC), Non-Pipes Alternative (NPA) Surcharge, Earnings Adjustment Mechanism (EAM) Surcharge, Transition Charge, and gross receipts taxes are excluded. All sales to economic incentive rate incentive customers and low income customers shall be priced out at standard service classification rates in developing the DSR Targets.
- c. "Rate Year" – for the purposes of RDM, Rate Year 1 shall be effective through April 30, 2021. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.