

PSC No: 19 - Electricity  
Rochester Gas and Electric Corporation  
Initial Effective Date: November 1, 2017  
Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated September 14, 2017.

Leaf No. 160.26.3.1  
Revision: 2  
Superseding Revision: 1

## GENERAL INFORMATION

### 12. SUPPLY SERVICE OPTIONS (Cont'd)

#### C. Calculation of the Commodity Charge (Cont'd)

##### 3. Hourly Pricing S.C. Nos. 8 and 14 (Mandatory and Voluntary): (Cont'd)

###### Capacity Component: (Cont'd)

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

$$\text{UCAP Charge} = (((\text{UCAP}_{\text{req}} * 1/(1-L_d)) * (1 + \text{Reserve}_{\text{req}})) * \text{Price}_{\text{monthlyauc}})$$

$\text{UCAP}_{\text{req}}$  = The customer specific demand that occurred at the time of the New York system peak of the prior year. When the customer specific information is not available the appropriate service class profile information will be used.

$L_d$  - Distribution loss factor. Described above

$\text{Reserve}_{\text{req}}$  = Additional reserve requirement as required by NYISO

$\text{Price}_{\text{monthlyauc}}$  = Monthly NYISO auction price

Demand Curve Reserve Charge = ((( $\text{UCAP}_{\text{req}} * 1/(1-L_d)$ ) \* Demand Curve Reserve Charge<sub>req</sub>)) \*  $\text{Price}_{\text{spotauc}}$ )

$\text{UCAP}_{\text{req}}$  - Described above

$L_d$  - Described above

Demand Curve Reserve<sub>req</sub> = Allocation of additional capacity requirement as required by the NYISO's demand curve

$\text{Price}_{\text{spotauc}}$  = Monthly NYISO capacity spot market price.

###### Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component:

The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

###### NYISO Related Transmission Charges:

Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

###### Supply Adjustment Charge Component:

Unaccounted For Energy, Renewable Energy Credits (RECs) and Zero Emissions Credits (ZECs) costs and if applicable, Alternative Compliance Payment (ACP), costs the Company has paid for the Value Stack Energy Component not reflected in the price for the Energy Component and the Market Value of the Environmental component of the Value Stack pursuant to Rule 26.B., and all costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York