

Effective Date: 11/01/2015

PSC No: 16 - Gas
 Rochester Gas and Electric Corporation
 Initial Effective Date: November 1, 2015

Leaf No. 147.13
 Revision: 2
 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 9

RESIDENTIAL DISTRIBUTED GENERATION GAS TRANSPORTATION SERVICE (Cont'd)

ESCO Credit:

The Company shall provide a credit to the ESCO for amounts previously paid towards the released storage assets through the balancing charge and/or bundled Customer rates, equal to the sum, over all months in the period beginning with April and ending at the transfer month, of the monthly credits calculated as follows:

$$\text{rscap} * \text{wacos}_2 * (\text{nmt}/\text{amt})$$

Where: rscap	=	The amount of storage deliverability at city gate released to the ESCO (in Dt)
wacos ₂	=	The Company's monthly weighted average cost of storage assets, Empire side plus DTI side plus FTNNGSS (in \$/Dt).
nmt	=	The forecasted throughput for the month for all Customers served by ESCOs taking service under Service Classification No. 5 and Service Classification No. 9 or served by the Company under Service Classification No. 1 (in Dt).
amt	=	The forecasted annual throughput for all Customers served by ESCOs taking service under Service Classification No. 5 and Service Classification No. 9 or served by the Company under Service Classification No. 1, divided by 12 (in Dt).

j) **Transfer of Storage Gas and Capacity to the Company**

In the event that an ESCO's load declines, necessitating a return of capacity to the Company, the ESCO shall transfer to the Company an amount of DTI gas equal to the returned DTI storage capacity multiplied by a percentage representing the planned degree to which the Company's storage shall be filled at the beginning of the month during which the return is made. The Company shall reimburse the ESCO at the Company's weighted average commodity cost of gas in storage for the above-calculated amount. If the ESCO does not have a quantity of gas in storage equal to the above-calculated amount, the ESCO must procure an amount of gas in storage and available for immediate withdrawal by the Company, to meet this requirement. This gas must be available on or before the 1st calendar day of the appropriate month. As detailed below, there shall be an ESCO Credit and an ESCO Charge associated with transfers of gas in storage to the Company.

ESCO Credit:

The Company shall credit the ESCO: 1) the weighted average commodity cost of gas in DTI storage (WACOSG₁) multiplied by the quantity of gas transferred; plus 2), a contribution to storage capacity costs calculated as shown below.

The Company shall credit the ESCO at the Company's weighted average commodity cost of gas (WACOSG₁) in storage for the transferred gas. The weighted average cost of commodity shall be credited monthly for gas purchased from DTI storage. If the ESCO does not have a quantity of gas in storage equal to the above calculated amount, the ESCO must procure an amount of gas in storage and available for immediate withdrawal by the Company, to meet this requirement. In the event, the ESCO does not provide the required gas; the Company shall bill the ESCO the higher of: 1) the costs associated with replacement of the gas supplies, or 2) the cost determined by applying the Weighted Average Cost of Gas per therm, as stated on the Small General Service Transportation Rate Adjustment Statement.

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