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PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

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SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (Cont'd)

2. RG&E Supply Service (RSS)

This Non-Retail Access choice includes fixed components for the Company delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Section 12.B., a Bill Issuance Charge, and a commodity charge that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses, unaccounted for energy, ancillary services, NYPA Transmission Access Charge (NTAC), transmission project costs allocated to the Company under the NYISO tariff as approved by FERC. Electricity supply is provided by the Company.

Delivery Rates are specified in the Delivery Charge sections of this Service Classification.

Electricity Supply Charge

Standby customers taking service under this RSS option must select from two different options for their electricity supply charge. One option is RSS, based on the customer's class deemed load shaped, as described in (a) below. The other option is Hourly Pricing, based on hourly metered usage, as described in (b) below.

- (a) For RSS, the charge for electricity supply service shall fluctuate with the market price of electricity and shall include the following components: energy, capacity, capacity reserves, line losses, ancillary services, NYPA Transmission Access Charge (NTAC), transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, Supply Adjustment Charge, and a Merchant Function Charge. Customers shall be charged for energy based on their class deemed load shape using day-ahead prices adjusted for losses. They shall be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility.
- (b) Standby customers whose otherwise applicable service classification is S.C. No. 8 may elect to be served under the Hourly Pricing as described in detail below in Option 3

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