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PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
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Revision: 5
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SERVICE CLASSIFICATION NO. 8

LARGE GENERAL SERVICE - TIME-OF-USE RATE (Cont'd)

Hourly Pricing – Mandatory and Voluntary (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification may select from the different electricity Supply Service Options offered by the Company as described below. The Company shall offer a Retail Access rate choice and a Non-Retail Access rate choice.

The Retail Access choice (see 1. below) is the ESCO Supply Service (ESS). The Non-Retail choice is the (see 2. below) Company Hourly Day-Ahead Market Pricing Option ("Hourly Pricing").

The Company shall provide only delivery service for the Retail Access choice. Electricity supply is provided by an Energy Services Company ("ESCO"). Hourly Pricing customers are able to select ESCO commodity service at any time.

The Company shall provide delivery service and commodity service for the Non-Retail Access choice.

A customer who has not chosen an option, and for whom the Company has not received a retail access enrollment from an ESCO, shall default to the the Company Hourly Day-Ahead Market Pricing Option.

1. ESCO Supply Service (ESS)

This Retail Access choice includes fixed components for the Company delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Section 12.B., and a Bill Issuance Charge. Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

2. Hourly Day-Ahead Market Pricing Option ("Hourly Pricing")

This Non-Retail Access choice includes fixed charges for the Company delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Section 12.B., a commodity charge for electricity supply that fluctuates hourly with the market price of electricity including losses, a Supply Adjustment Charge, an ancillary and NTAC charge, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, Supply Adjustment Charge, and a capacity and capacity reserve, as further described herein. Electricity supply is provided by the Company.

Electricity Supply Charge: All kWh, per kWh

Customers served under this provision shall be charged for the energy component of supply based on their hourly metered usage and the hourly supply cost. The electricity supply charge is equal to the sum of the hourly metered usage multiplied by the New York Independent System Operator (NYISO) Day-Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Genesee Zone adjusted for losses, ancillary services, NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. Capacity charges shall also be based on interval meter data. The DAM LBMP prices shall be the initial published DAM LBMP prices acquired by the Company. The customer's bill shall not be recalculated if such prices are modified by the NYISO at a later date.

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