

Effective Date: 07/01/2016

PSC No: 18 - Electricity  
Rochester Gas and Electric Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0285, dated June 15, 2016

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## GENERAL INFORMATION

### 10. Rate Adjustment Mechanism ("RAM")

#### F. Carrying Costs:

The Company will accrue carrying costs on RAM Eligible Deferrals and costs as follows:

- (1) During the period that the RAM is in effect for those deferral balances being specifically collected or returned, carrying costs will be based on the Commission's authorized Other Customer Capital Rate.
- (2) RAM Eligible Deferral Balances not in the RAM tariff due to the annual dollar amount restrictions set forth above will accrue carrying charges as follows:
  - (a) Net Deferral amounts at or under the annual RAM recovery / return limits will accrue carrying charges at the Other Customer Capital Rate;
  - (b) Additional deferral amounts over the annual RAM recovery / return limits, up to one year's worth of value, will accrue carrying costs at the Other Customer Capital Rate; and
  - (c) Additional deferral amounts over the annual RAM recovery / return limits in Rule 10.F.(2)(a) and (2)(b) above, will accrue carrying costs at the Company's respective Pre-Tax Weighted Cost of Capital, applied to the after-tax balance.

#### G. Filings and Statements:

- (1) A RAM Compliance Filing setting forth the RAM rates by Service Classification shall be filed with the Commission by March 31 on an annual basis.
- (2) A RAM Statement setting forth the RAM rates shall be filed with the Commission on not less than 30 days' notice to be effective July 1. Such statement may be found at the end of this Schedule.

### 11. Reserved for Future Use

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