

Effective Date: 07/21/2016

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
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Leaf No. 72
Revision: 4
Superseding Revision: 3

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

H. ADJUSTMENT OF RATES DUE TO CHANGES IN COST OF GAS (Cont'd)

(12) Research and Development Surcharge

Sales subject to Service Classification No. 1, Service Classification No. 4, Service Classification No. 6 and Service Classification No. 8 who are subject to the GSC, shall be subject to a surcharge to collect funds to support medium and long term gas research and development programs. This surcharge shall replace the existing funding of the Gas Research Institute (GRI).

The amount of the surcharge shall be calculated yearly by dividing the total amount that the Company paid to upstream pipelines for GRI funding in calendar year 1998, less any amounts to be paid to upstream pipelines for GRI funding in the calendar year for which the surcharge is being calculated, by the total forecasted volumes delivered to customers taking service under all Service Classifications.

The total amount collected annually under this surcharge shall be reconciled to ensure that it does not exceed the amount that the Company paid to upstream pipelines for GRI funding in calendar year 1998. Any amounts collected through this surcharge which are not spent on R&D programs shall be refunded to the customers. This surcharge shall be listed as a separate item on the GSC statement.

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