

November 20, 2008

**VIA ELECTRONIC FILING**

Honorable Jaclyn A. Brilling  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

RE: **Case 03-E-0765 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Electric Service**

**Case 02-E-0198 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Electric Service**

**Case 03-G-0766 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Gas Service**

Dear Secretary Brilling:

The enclosed tariff leaves and Statements, issued by Rochester Gas and Electric Corporation ("RG&E" or the "Company"), are transmitted for filing in compliance with the Public Service Commission's ("PSC" or "Commission") Order Modifying Fixed Price Offer, issued and effective August 28, 2008 ("August 2008 Order"), and Order Adopting Provisions of Joint Proposals With Conditions, issued and effective May 20, 2004 in the above-referenced proceedings, and are to become effective January 1, 2009. This filing is also made in accordance with Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

Tariff Leaves - PSC No. 19 – Electricity, Schedule for Electric Service  
Service Classification 14 – Standby Service

Leaf No. 242, Revision 9, Superseding Revision 8

Leaf No. 243, Revision 10, Superseding Revision 9

FPO Statements

PSC No. 18 – Electricity, Schedule for Electric Street Lighting Service. FPO Statement No. 5

PSC No. 19 – Electricity, Schedule for Electric Service. FPO Statement No. 5

In PSC No.18, the FPO Statement sets forth the Fixed Commodity Charges for the RG&E Fixed Price Option applicable to S.C. Nos. 1, 2, and 3. In PSC No.19, the FPO Statement sets forth the Fixed Commodity Charges for the RG&E Fixed Price Option applicable to S.C. Nos. 1, 2, 3, 4, 6, 7, 8, and 9.

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The filing of Fixed Commodity Charge Statements for the RG&E Fixed Price Option is made annually to become effective January 1 of each commodity rate period.

TCF Statements

PSC No. 18 – Electricity, Schedule for Electric Street Lighting Service. TCF Statement No. 6  
PSC No. 19 – Electricity, Schedule for Electric Service. TCF Statement No. 7

In PSC No.18, the TCF Statement sets forth the Fixed Transition Charges applicable to S.C. Nos. 1, 2, and 3. In PSC No.19, the TCF Statement sets forth the Fixed Transition Charges applicable to S.C. Nos. 1, 2, 3, 4, 6, 7, 8, and 9, and the Fixed Transition Charge for Economic Development applicable to S.C. Nos. 3, 7, 8, and 9.

The filing of Fixed Transition Charge Statements is made annually, to become effective January 1 of each commodity rate period.

Consistent with the August 2008 Order, the annual transition charge to be effective on January 1, 2009 and thereafter will be forecasted and set on November 1 of the prior year. Also starting January 1, 2009 the transition charge will be a fixed charge that is the same for all customers within a given service class, regardless of their supply pricing option. Differences between actual and forecast costs and loads will be symmetrically reconciled and trued-up annually. The reconciliation will include any gains or losses associated with purchases made in the real time market at prices differing from prices in the day ahead market, as provided for in the Company's tariff. The credits or charges related to the reconciliation will flow through the next year's transition charge.

The reconciliation for RG&E's 2009 transition charge will be set on November 1, 2009 using actual information from calendar month January through August 2009 and forecasted amounts for calendar months September through December 2009 (if applicable). The forecast for September will be based on actual September prices and the forecast for October through December of 2009 will be based on the average forward prices during October 2009. Also included in the reconciliation for RG&E's 2009 transition charge will be the last three months of the 2008 Variable Price Option transition charge true-up. The reconciliation of the 2009 transition charge will be included in the 2010 transition charge (if applicable). The September through December 2009 forecasted amounts included in the 2010 transition charge will be trued-up with the 2010 annual transition charge reconciliation in RG&E's 2011 fixed transition charge (if applicable), with workpapers provided in an April 2010 filing.

The Company requests that the requirement of § 66(12) (b) of Public Service Law and 16 NYCRR §720-8.1 as to newspaper publication be waived. All customers will be made aware of the 2009 fixed prices through various means, including enrollment materials, which contain the price information, mailed to all eligible customers; the Company's voice response system and website, which contain the price information; and general outreach and education associated with the Voice Your Choice program.

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Please direct any questions pertaining to this filing to Susan Morien at (585) 771-4741 or me at (585) 771-4692.

Very truly yours,

Mark O. Marini  
Manager, Regulatory and Tariffs  
Rates and Regulatory Economics