

December 4, 2003

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Acting Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Tariff Filing in Compliance with the Commission's Order Adopting Recommended Decision with Modifications, Case Nos. 02-E-0198 and 02-G-0199, issued March 7, 2003 (the "March Order").

Dear Secretary Brillling:

The enclosed revised or original tariff leaves, issued by Rochester Gas & Electric Corporation ("RG&E" or the "Company"), are transmitted for filing in accordance with the requirements of the New York State Public Service Commission ("Commission") and in compliance with the March Order, to be effective March 1, 2004. See Appendix 1 for an Index of leaves.

In accordance with Ordering Clause No. 5, RG&E is filing tariff revisions to transition to a multi-retailer model from a single-retailer model. The transition will occur by billing cycle beginning in early February, and will be complete by March 6, 2004.

RG&E is eliminating its P.S.C. No. 17 – Gas, Schedule for Gas Distribution Service and its P.S.C. No. 20 – Electricity, Schedule for Electric Distribution Service, which are the single-retailer model tariffs, in their entirety. The multi-retailer model is added to RG&E's tariffs as a new rule entitled "General Retail Access – Multi-Retailer Model": Rule 10 in P.S.C. No. 16; Rule 9 in P.S.C. No. 18; and Rule 11 in P.S.C. No. 19.

Currently, RG&E provides retail access through its single-retailer model. Under this model, the retail customer deals with a single entity for both delivery service and commodity service; if the entity is an Energy Services Company ("ESCO"), it provides commodity and resells the delivery services provided to it by the utility to the retail customer. The ESCO is responsible for all aspects of billing to the retail customer. When the multi-retailer model is implemented, the retail customer will deal with two entities: the utility (for delivery) and the ESCO (for commodity).

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In connection with the implementation of the multi-retailer model, and consistent with the Commission's Billing Order¹, RG&E will offer ESCOs the option of utility Consolidated Billing and Payment Processing or Dual Billing. Customers on the Consolidated Billing and Payment Processing option will receive a bill processing credit of \$.62 per billing period, which is the average of the New York State Electric and Gas (NYSEG) and the Niagara Mohawk (NiMo) current billing credits, per the Commission's March 14, 2002 Order². ESCOs will be assessed a bill processing charge of \$.62 per bill for a Company-rendered consolidated bill.³

In an effort to support the integration of the two companies and provide consistency for the benefit of ESCOs and customers, RG&E has modeled its multi-retailer Gas and Electric tariffs after NYSEG's tariff PSC No.120, Section 16, "General Retail Access".

In addition, to further promote general retail access and provide consistency for the benefit of ESCOs and customers, RG&E is adding two new service classifications to Retail Access: Service Classification No.1, Street Lighting Service, in P.S.C. No. 18 and Service Classification No.6, Area Lighting, in P.S.C. No. 19. Under the single-retailer model, these services were not available for retail access purposes.

RG&E will file revised tariffs in compliance with the recent Commission's Order Adopting Revised Uniform Business Practices in Case No. 98-M-1343 – In the Matter of Retail Access Business Rules, issued and effective November 21, 2003, separately from this filing.

In accordance with 16 NYCRR Section 720.8-1, RG&E will publish notice of this filing once in each week for four consecutive weeks in newspapers having general circulation in the area affected by this filing.

¹ Order Resolving Petitions for Rehearing in Case 99-M-0631 - In the Matter of Customer Billing Arrangements and Case No. 98-M-1343 – In the Matter of Retail Access Business Practices (the "Billing Order").

² In the absence of recent cost of service data, the Company is proposing to use the estimates of the billing credits already in place for NYSEG and NiMo, until such time that this credit is reviewed and potentially modified in accordance with the Commission's Case 00-M-0504 – Proceeding on Motion of the Commission Regarding Provider of Last Resort Responsibilities, the Role of Utilities in Competitive Energy Markets, and Fostering the Development of Retail Competitive Opportunities – Unbundling Track.

³ As mentioned above, under the single-retailer model for retail access, the ESCO provides all aspects of billing service to the retail customer. In turn, RG&E provides retail access credits in the amount of \$0.004 per kWh for electric service, and \$3.75 per customer per month for gas service. Per the March Order, these credits remain in place unless and until replaced by the Commission in the Unbundling Track of Case 00-M-0504. These retail access credits recognize that ESCOs, not RG&E, are responsible for billing services and as a result, already include credits for billing functions avoided by RG&E for customers that take service from an ESCO. RG&E however, recognizes the need to comply with the Commission's Billing Order and therefore is including a billing processing credit, even though that credit is already being reflected in the retail access credits. Furthermore, the Company will track and petition for deferral and future recovery of incremental costs associated with providing utility billing for customers who had been supplied by ESCOs under the single retailer model, as provided in the Billing Order.

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Please direct any questions regarding this filing to Curt Roney at (585) 724-8252, or to me at (585)771-4692.

Very truly yours,

Mark O. Marini

Manager – Regulatory Affairs

cc: All active parties
All current ESCOs
M. Scott – PSC Staff
M. Twergo – PSC Staff

Enclosures

Index for MRM Tariffs

Effective March 1, 2004				
P S C	Leaf No.	Ver.	Description	
16	Gas	2	2	Table of Contents
16	Gas	4.1	0	Table of Contents, Rule 10
16	Gas	7 to 10.2	0,1,2	Definitions
16	Gas	127.1 to 127.43	0	Rule 10. General Retail Access -- Multi-Retailer Model
16	Gas	128	2	SC No 1 - non-Retail Access Rate
16	Gas	130	1	SC No 2 - non-Retail Access Rate
16	Gas	130.1 to 130.8	0	SC No 3 - Retail Access Rate plus provisions
16	Gas	131	1	SC No 4 - Eligibility (1)
16	Gas	133.1 to 133.12	0	SC No 5 - Retail Access Rate plus provisions
16	Gas	133.13 to	0	SC No 10 - Retail Access Rate plus provisions
17	Gas	Eliminate entire tariff - delete all tariff leaves		
18	Street Lighting	2	1	Table of Contents
18	Street Lighting	3	1	Table of Contents, Rules 1-9
18	Street Lighting	24.1	0	Rule 9. General Retail Access -- Multi-Retailer Model
18	Street Lighting	26	1	C No 1 SL-Co.Owned - New to Retail Access. Rate Choice
18	Street Lighting	37	1	SC No 2 SL-Cust.Owned - Rate Choices
18	Street Lighting	45	1	SC No 3 Tr. Sig. - Rate Choices
19	Electric	2	2	Table of Contents
19	Electric	4.1	0	Table of Contents, Rule 11
19	Electric	7 to 10.6	0,1	Definitions
19	Electric	160.1 to 160.25	0	Rule 11. General Retail Access -- Multi-Retailer Model
19	Electric	161	2	SC No 1 - Rate Choices
19	Electric	162	1	SC No 1 - Term
19	Electric	164	2	SC No 2 - Rate Choices, Term
19	Electric	166	2	SC No 3 - Rate Choices
19	Electric	168	1	SC No 3 - Term
19	Electric	174	4	SC No 4 - Rate Choices
19	Electric	176	1	SC No 4 - Term
19	Electric	187	1	SC No 6 - New to Retail Access. Rate Choices
19	Electric	187.1	0	SC No 6 - New to Retail Access. Rate Choices
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19	Electric	191	1	SC No 7 - Term
19	Electric	194	2	SC No 8 - Rate Choices
19	Electric	197	1	SC No 8 - Term
19	Electric	210	2	SC No 9 - Applicable, Rate Choices
19	Electric	212	3	SC No 9 - Term
19	Electric	215	1	SC No 10 - Eligibility A, C
19	Electric	223	1	SC No 10 - Eligibility (1)
19	Electric	233	1	SC No 12 - Rate Choices
20	Electric	Eliminate entire tariff - delete all tariff leaves		

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