

September 3, 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: Case 99-M-0631 – In the Matter of Customer Billing Arrangements and Case 03-M-0117 – In the Matter of Implementation of Chapter 686 of the Laws of 2003 –  
Tariff Filing

Dear Secretary Brillling:

The enclosed gas 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”).

PSC No.16 – Gas, Schedule for Gas Service

Leaf No. 4, Revision 1

Leaf No. 92, Revision 1

Leaf No. 110.1, Revision 0

Leaf No. 110.2, Revision 0

Leaf No. 110.3, Revision 0

PSC No.17 – Gas, Schedule for Gas Distribution Service

Leaf No. 29, Revision 1

Leaf No. 65, Revision 1

Effective September 3, 2003.

The above-listed leaves are being filed on a temporary basis pursuant to the Commission’s Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-ration of Consolidated Bills, issued June 20, 2003 (the “June Order”), and Order Extending Deadline, issued August 15, 2003 (the “August Order”) in Case Nos. 99-M-0631 and 03-M-0117.

In compliance with Ordering Clause No. 3 of the June Order, the Company has modified its PSC 16 and 17 (Gas) tariff provisions to conform RG&E’s tariffs to the requirements of the June Order. In accordance with the August Order, tariffs concerning pro-ration of customer payments are not being filed at this time.

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Specifically, RG&E has modified its tariff to include rules for ESCO-initiated suspension of service. Rules for reconnection of service associated with ESCO-initiated disconnection are also set forth in the filed tariffs. The tariffs further reflect fees that the Company proposes to charge ESCOs for costs associated with ESCO-initiated suspension of delivery services. The calculation for these fees is shown on Appendix 1 to this filing. A copy of RG&E's procedures for ESCO-initiated suspension, customer reconnection and ESCO request for calculation of utility bill are enclosed on Appendix 2 to this filing.

In compliance with the Commission's directive in footnote 21 of its June Order, RG&E has reviewed its cost of service ("COS") studies filed in the Unbundling Track of Case 00-M-0504<sup>1</sup>, and the provisions of Chapter 686. The Company's COS studies filed in the Unbundling Track reflect its single retailer model for its retail access program. Pursuant to ordering paragraph five of the Commission's March 7, 2003 Order<sup>2</sup>, the Company is transitioning from the single retailer model to a multi-retailer model. The Company recognizes that its COS studies and resulting credits will have to be revised to reflect this change and to implement the provisions of Chapter 686.

RG&E will petition for deferral and recovery of any incremental costs associated with implementing Chapter 686.

Ordering Clause No. 3 of the June Order waived the requirement of Section 66(12)(b) of the Public Service Law requiring newspaper publication of the proposed tariff amendments.

Please direct any questions pertaining to this filing to me at (585) 724-8252.

Very truly yours,

Curt D. Roney  
Project Lead, Rate and Regulatory Economics

Encs.

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<sup>1</sup> 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 ("Unbundling Track"), Order Directing Expedited Consideration of Rate Unbundling (issued March 29, 2001).

<sup>2</sup> Cases 02-E-0198, et al., Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Electric Service, Order Adopting Recommended Decision with Modifications (issued March 7, 2003).