



September 27, 2010

VIA ELECTRONIC FILING

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

Re: Case 03-E-0188 – Order Regarding Retail Renewable
Portfolio Standard – Annual Compliance Filing

Dear Secretary Brillling:

Rochester Gas and Electric Corporation ("RG&E") hereby submits for filing the enclosed tariff statements, effective October 1, 2010, in compliance with the New York Public Service Commission's ("Commission's") Order Regarding Retail Renewable Portfolio Standard ("RPS"), issued and effective September 24, 2004 in Case 03-E-0188, (the "2004 Order") and Order Authorizing Customer-Sited Tier Program Through 2015 and Resolving Geographic Balance and Other Issues Pertaining to the RPS Program, issued and effective April 2, 2010 in Case 03-E-0188, (the "2010 Order"). 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).

RPS Statement No. 07 to PSC 18 – Electricity
RPS Statement No. 07 to PSC 19 – Electricity

The 2010 Order establishes the 2011 RPS annual collection level for RG&E at \$11,818,892. The level of funding is to be collected in rates over a 12-month period commencing three months prior to the applicable calendar year. Ordering Clause 4 of the 2004 Order also provides that "[a]ny over- or under-collections shall be trued up on an annual basis."

RG&E began the reconciliation by verifying the amount of RPS Surcharge revenue that the Company collected from customers between October 1, 2005 and August 31, 2010. Subsequently, the Company estimated the amount of revenues the Company will collect from customers for the month of September 2010, the remaining month of the most recent 12-month collection period. Consequently, the Company has projected that it will have a cumulative under-collection of \$335,802.

An equal opportunity employer

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To calculate the October 2010 RPS rate, the projected under-collection of \$335,802 was added to the 2011 annual RPS target collection amount of \$11,818,892, resulting in a 2011 collection requirement of \$12,154,694¹. That amount was then divided by the kWh sales estimate for the period October 2010 – September 2011, resulting in a RPS surcharge of \$0.001702 per kWh to become effective October 1, 2010. This surcharge amount is reflected in the attached proposed tariff statement.

Per Ordering Clause 6 of the Order, the requirements of Section 66(12) (b) of the Public Service Law as to newspaper publication of the changes proposed by this filing is waived.

Please direct any questions pertaining to this filing to Lori Cole at (607) 762-8710 or to David George at (585) 771-4765.

Very truly yours,

Mark O. Marini
Director, Regulatory & Tariffs
Rates & Regulatory Economics

Enclosures

¹ The annual target collection amount for RG&E increases each year as set forth in the Appendix to the 2010 Order.