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Rochester Gas and Electric Corporation

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Issued in compliance with Order in Case 11-E-0322, dated November 21, 2011

GENERAL INFORMATION

16. Farm Waste Electric Generating System Option (Cont'd)

A. Remote Net Metering (Cont'd)

Calculation and Application of Net Metering Credits (Cont'd)

The remote net metering credit will first be applied to any outstanding charges on the Host Account's current electric bill. Any remaining monetary credit will be allocated between the Host Account and the Satellite Accounts. The portion designated for the Satellite Accounts will be applied to the Satellite Account bills as each subsequent Satellite Account bill is calculated. In the case of two Satellite Accounts billed on the same day, the credit will be applied to the highest usage account first.

The credit applied to each Host or Satellite Account shall not exceed the current electric delivery charges, and if applicable, RG&E supply charges. If a monetary credit remains after applying credits to all designated Satellite Accounts, the credit will be carried forward on the Host Account and the allocation process between Host and Satellite Accounts will repeat until the value of the excess credit is zero or until all associated accounts are finaled.

Annual Reconciliation and Account Closure

Annual reconciliation of remaining credits:

Any remaining monetary credits will be cashed out at avoided cost. The cash-out payment shall be equal to the product of the kWh excess multiplied by the average avoided cost for the energy for the billing period in which the excess occurred. Upon the Corporation's determination that the customer has taken service under this Section 16 while in violation of the conditions of service set forth in this Schedule, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

Host Account closure:

Any remaining monetary credits will be cashed out at avoided cost of the supply. The cash-out payment shall be equal to the product of the kWh excess balance multiplied by the average avoided cost for the energy for the billing period in which the excess occurred.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York