Received: 07/30/2012 Status: CANCELLED Effective Date: 12/01/2012

PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Leaf No. 81.3

Revision: 6

Initial Effective Date: December 1, 2012 Superseding Revision: 5

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.1 INCREMENTAL LOAD RATE (ILR) PROGRAMS

A. INCREMENTAL LOAD RATE (con't)

TERM:

Effective January 1, 2014, the ILR program will terminate. Such termination will not affect customers who initiate ILR service by December 31, 2013. These customers will continue ILR service until the completion of their four year term.

SUPPLY SERVICE OPTIONS:

ILR customers may select one of the following electricity supply pricing options: ESCO Supply Service (ESS), RG&E Supply Service (RSS), or Hourly Pricing as further described in the otherwise applicable service classification.

TRANSITION CHARGE:

All ILR customers are exempt from paying the Transition Charge.

The qualified ILR customer must choose the same Supply Service Option for its incentive load, non-incentive load, and all future ILR load at the facility.

BILLING:

The Company will calculate bills for service supplied under the ILR in accordance with the applicable Special Provision under Service Classification Nos. 3, 7, 8, and 9.

A qualified customer will pay a monthly service bill at the rates and charges under this rider for all kW or kWh in excess of a base amount of kW or kWh established for each monthly billing period. For an Existing Customer, the base amount will be based on a one-year historical period, actual or estimated, as determined by the Company prior to qualification for the incentive. For a Prospective Customer, the base amount of kW or kWh will be zero.

INCREASE IN RATES AND CHARGES:

The rates and charges under this rider, including any adjustments, are increased by the applicable effective aggregate percentage shown in Rule 4.J for service supplied the municipality where the customer is taking service.

The rates and charges under this rider, which reflect the Company's incremental cost of providing service, will be subject to periodic review and revision, subject to Public Service Commission approval. If it is determined that the bill calculated under this rider exceeds the bill calculated under the otherwise applicable standard Service Classification rates, the customer will pay the lower of the two bills.

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