

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2012
Issued in compliance with Order in Case 11-M-0542 dated December 9, 2011.

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Revision: 1
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GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

K.4 EXCELSIOR JOBS PROGRAM

PURPOSE:

This service is provided in cooperation with the New York State Empire State Development ("ESD"), pursuant to Article 17 of the Economic Development Law, to assist in job creation and financial investment in targeted industries such as biotechnology, pharmaceutical, high-tech, clean-technology, green technology, financial services, agriculture and manufacturing throughout the Company's service territory.

A. ELIGIBILITY CRITERIA:

- 1) A customer must be approved by the local ESD and the Company must be notified by ESD that the customer has entered into a formal agreement with ESD.
- 2) A customer must qualify for service under and in accordance with the provisions of Service Classification Nos. 1, 3, and 5.
- 3) A customer must receive an annual certification of tax credit from ESD verifying that they have satisfied the eligibility criteria and must also satisfy any usage thresholds for additional load as set forth below. The customer will receive the Excelsior incentive for one year each year that they are issued a certification from ESD. In the event that a 12-month period has ended but the Company has not yet receive notification from ESD regarding the next year's certification the customers benefits will continue until either an additional three months has passed or the Company receives notification that the customer will not be issued a tax certificate for the year.
- 4) A customer who increases their usage by twenty-five percent (25%) on a monthly basis above their baseload shall be eligible to receive the appropriate Excelsior Jobs Program rates. A customer with a baseload of zero will receive the appropriate Excelsior Jobs Program rates on their entire load. Weather sensitive customers' baseload usage will be weather normalized. Weather sensitive customers' actual usage will be weather normalized to determine if the twenty-five percent (25%) threshold is reached. A customer who achieves the twenty-five percent (25%) increase above their baseload will receive the appropriate Excelsior rates on all of the load above the baseload.

B. TERM

A qualified customer will be eligible to receive the Excelsior Jobs Program rates for no more than ten years from the initial certification from ESD or until a customer's Excelsior approval becomes invalid. If a customer's Excelsior certification becomes invalid, the customer will not be eligible to receive Excelsior Jobs Program rates until the Company is notified by ESD that the customer has been recertified.

C. BILLING

The Excelsior Jobs Program rates for all eligible gas service classes listed herein are equal to the customer's otherwise applicable standard service classification delivery rates with the exception of the Revenue Decoupling Mechanism (RDM).

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