

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: October 17, 2009

Leaf No. 246.3
Revision: 3
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (Cont'd)

3. Hourly Day-Ahead Market Pricing Option ("Hourly Pricing") - For customers with a demand of 1,000 KW or more

This Non-Retail Access choice includes fixed components for RG&E delivery service, a Transition Charge ("TC" or Non-Bypassable Charge ["NBC"]), a Bill Issuance Charge, and a commodity charge that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses, unaccounted for energy, ancillary services and a NYPA Transmission Access Charge (NTAC). Electricity supply is provided by RG&E.

Fixed components for RG&E delivery service are included in the Rates section of this Service Classification.

Merchant Function Charge ("MFC"):

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. All customers taking supply service under this Service Classification with RG&E will be subject to a MFC charge (as explained in this Schedule, General Information Section 4.K.). See MFC Statement.

Transition Charge ("TC"), or Non-Bypassable Charge ["NBC"]:

All customers served under this Service Classification, taking service under the ESS option will be required to pay a Transition Charge per kWh, as described in Section 12.B.

Bill Issuance Charge (per bill):

\$ 1.08, as described in Rule 11.F.

Electricity Supply Charge

Standby customers with demands of 1,000 KW or more will be served under the Hourly Pricing option as described below.

Electricity Supply Charge: All kilowatthours, per kilowatthour

Customers served under this provision will be charged for the energy component of supply based on their hourly metered usage and the hourly supply cost. The electricity supply charge is equal to the sum of the hourly metered usage multiplied by the New York Independent System Operator (NYISO) Day -Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Genesee Zone adjusted for losses, ancillary services, NTAC, and a Supply Adjustment Charge. Capacity charges will also be based on interval meter data. The DAM LBMP prices will be the initial published DAM LBMP prices acquired by the Company. The customer's bill will not be recalculated if such prices are modified by the NYISO at a later date.

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