

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

Leaf No. 81
Revision: 8
Superseding Revision: 7

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

K. SURCHARGES (Cont'd)

Renewable Portfolio Standard Charge (RPS):

Each customer bill for service under the applicable Service Classifications will be increased by multiplying all kilowatthours delivered by the RPS, as mandated by Public Service Commission order issued and effective September 24, 2004, in Case 03-E-0188 – Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard. The RPS charge is contained in the Renewable Portfolio Standard Charge Statement to this Tariff, and is subject to annual reconciliation and will be amended each October 1st, through the term of the program.

Temporary State Assessment Surcharge ("TSAS"):

All Energy Charges and Demand Charges, if applicable, for Delivery Service under Service Classification Nos. 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 14 will be increased to collect a Temporary State Energy and Utility Service Conservation Assessment pursuant to the Commission's *Order Implementing Temporary State Assessment*, issued June 19, 2009.

Unless prohibited by contract, the surcharge will be applied to all kWh and KW, as applicable, on the customer bill, including usage subject to Economic Incentives and KWh's supplied by NYPA.

A Temporary States Assessment Surcharge (TSAS) Statement setting forth the surcharges by service classification will be filed with the Public Service Commission on not less than fifteen (15) days' notice. Such statement can be found at the end of this Schedule (PSC 19 – Electricity).

Deferral Recovery Mechanism Adjustment ("DRM")

Each month the Company will examine its deferred costs, reserve balances and reliability revenue adjustments. If at any time the combination of the Company's deferred and reserve balances exceeds \$5.5 million, positive or negative, a Deferral Recovery Mechanism adjustment will be applied in the following month.

The DRM adjustment will be applied per kilowatt-hour to all kilowatt-hours delivered under Service Classification Nos. 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, and 14 (excluding kilowatt-hours supplied by NYPA).

A DRM statement setting forth the Deferral Recovery Mechanism Adjustment will be filed with the Public Service Commission on not less than three (3) day's notice.

Merchant Function Charge (MFC):

The MFC includes the following: 1) electric commodity related uncollectibles; 2) an allocated portion of general and common plant; 3) Administrative and General Expenses related to commodity; 4) customer care costs related to commodity; 5) supply procurement expenses; and 5) cash working capital on purchased power.

The MFC will be applicable to only those customers taking supply service from the Company (*i.e.*, RSS and Hourly Pricing) and is set forth in a statement at the end of this Schedule (PSC No. 19 – Electricity).

For Service Classification Nos. 10,, 11, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.

Beginning October 17, 2010, the following components of the MFC will be reconciled and reset annually:

1. Commodity uncollectibles: collections during the period will be reconciled to actual costs and this component of the MFC rate will be reset based on a recent twelve month history;
2. Working Capital: collections during the period will be reconciled to actual costs and this component of the MFC rate will be reset based on recent twelve month history
3. The units used to derive the MFC rate will be updated based on the most recently available forecast data

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

Cancelled by supplement No. 36 effective 09/25/2010

Suspended to 09/26/2010 by order in Case 09-E-0717. See Supplement No. 35. The supplement filing date was 07/29/2010

Suspended to 08/14/2010 by order in Case 09-E-0717. See Supplement No. 33. The supplement filing date was 02/08/2010

Suspended to 02/14/2010 by order in Case 09-E-0717. See Supplement No. 32. The supplement filing date was 10/15/2009