Received: 07/01/2009 Status: CANCELLED Effective Date: 01/01/2010

PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Leaf No. 85.1

Revision: 2

Initial Effective Date: January 1, 2010 Superseding Revision: 1

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.4 EMPIRE ZONE RATES (Cont'd)

BILLING AND PROGRAM BENEFITS

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

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.I for service supplied the municipality where the customer is taking service.

SUPPLY SERVICE OPTIONS

Empire Zone Rate customers may select one of the following electricity supply pricing options: ESCO Supply Service (ESS) or RG&E Supply Service (RSS).

ESCO Supply Service (ESS)

Effective beginning January 1, 2010:

This Retail Access choice includes a fixed component for RG&E delivery service and a Retail Access Credit of \$0.004 per kWh. Electricity supply is provided by an ESCO.

RG&E Supply Servie (RSS)

Effective beginning January 1, 2010:

This Non-Retail Access choice includes a fixed component for RG&E delivery service and a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses, unaccounted for energy, ancillary service and NYPA Transmission Access Charges (NTAC). Electricity supply is provided by RG&E.

TRANSITION CHARGE

All Empire Zone Rate customers are exempt from paying the Transition Charge.

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

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