

PSC No: 16 - Gas
 Rochester Gas and Electric Corporation
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SERVICE CLASSIFICATION NO. 7

FIRM GAS TRANSPORTATION SERVICE FOR DISTRIBUTED GENERATION FACILITIES < 50 MW **(Cont'd)**

- (2) The interdepartmental rate per dekatherm in (1) shall be applied to the total quantity of gas delivered for use by the other departments during the 12 calendar months immediately preceding the computation dates to arrive at the total interdepartmental sales credit; and
- (3) The total interdepartmental sales credit in (2) shall be divided by the total normalized quantity of gas delivered to all Customers served under this tariff to arrive at the interdepartmental sales credit.

B. **FERC Order 636 Transition Cost Surcharge**

The delivery rates per therm as herein provided shall be subject to a surcharge calculated according to the New York State Public Service Commission's Opinion and Order 94-26 in Case 93-G-0932, issued and effective December 20, 1994, for the recovery of FERC Order 636 Transition Costs.

C. **Transition Cost Surcharge**

- (1) **Surcharge for Service Classification No. 7 Customers whose annual gas use is less than 35,000 therms and whose generating capacity is less than 5 MW**

For those service points served under Service Classification No. 7, whose annual gas use is less than 35,000 therms and whose generating capacity is less than 5 MW, the rates per therm herein provided shall be subject each month to a surcharge to collect a pro-rata share of upstream capacity costs that would otherwise be unrecovered as a result of customer migration to other suppliers.

- (a) The total capacity costs to be recovered through this Transition Cost Surcharge shall be computed monthly according to the following formula:

$$\text{\$cap} = (\text{tcap} / \text{ucap}) * \text{ucap}\$$$

Where:

$\text{\$cap}$ = The total capacity costs to be recovered through this Transition Cost Surcharge.
 tcap = The sum of:

- (i) The amount of capacity attributable to each Customer served by an ESCO taking service under Service Classification No. 3, and who converted to service under that service classification from Service Classification No. 5 or Service Classification No. 1, after November 1, 1996. The amount attributable to each such Customer shall be sufficient to meet the customer's winter season design day requirement. New load added by such a customer after November 1, 1996 by constructing a new facility or expanding an existing facility shall not be included in this determination; and
- (ii) The amount of capacity attributable to each Customer served by an ESCO taking service under Service Classification No. 5. The amount attributable to each such Customer shall be that customer's winter season design day requirement.
- (iii) The amount of capacity attributable to each Customer served by an ESCO taking service under Service Classification No. 7. The amount attributable to each such Customer shall be that customer's winter season design day requirement.

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