

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: October 2, 2006

Leaf No. 246.1
Revision: 3
Superseding Revision: 2

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

ELECTRICITY SUPPLY PRICING OPTIONS:

Customers served under this Service Classification must select from two different electricity supply pricing options offered by the Company as described below. RG&E will offer one Retail Access rate choice and one Non-Retail Access rate choice.

The Retail Access choice (see 1 below) is the ESCO Price Option ("EPO"). The Non-Retail Access choice (see 2) is the RG&E Variable Price Option ("VPO").

1. ESCO Price Option (EPO)

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

Delivery Rates, System Benefits Charge, and Retail Access Surcharge are specified in the Rates, System Benefits Charge, and Retail Access Surcharge sections, respectively, of this Service Classification.

Standby rates are designed in accordance with the methodology set forth in Case 02-E-0551, Proceeding on Motion of the Commission as to Rochester Gas and Electric Corporation's Electric Tariff Filing to Establish a New Standby Service in Accordance with Commission Order Issued October 26, 2001 in Case 99-E-1470, Order Establishing Electric Standby Rates (issued July 29, 2003) ("Standby Order"), such that RG&E will recover the requisite delivery revenue requirement and Transition Charge ("TC") revenues. The TC revenues will be collected over the contract demand and the distribution portion of the as-used demand billing determinants on an equal percentage basis. The TC revenues applicable to standby service customers will be calculated as part of, and at the same time as, the annual calculation of TC revenues for purposes of establishing the charges applicable to the different electricity supply pricing options.

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