

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

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Revision: 2  
Superseding Revision: 1

### SERVICE CLASSIFICATION NO. 8

#### LARGE GENERAL SERVICE - TIME-OF-USE RATE (Cont'd)

#### 3. RG&E Fixed Price Option (FPO) (Cont'd)

RATE: (Per Meter, Per Month)

##### Delivery Charges:

The Delivery Charges for Customer Charge, Delivery Demand Charge, and Transition Charge are specified in the Delivery Charges section of this Service Classification.

##### System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

##### Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

##### Retail Access Surcharge:

All kilowatthours, per kWh Per RAS Statement, as described in Rule 4

Bill Issuance Charge: \$0.62

##### Meter Charges:

The Meter Charges are specified in the Meter Charge Section of this Service Classification.

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

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

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