

PSC No: 20 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: November 1, 2003

Leaf No. 180
Revision: 2
Superseding Revision: 1

SCHEDULE B

STREET LIGHTING SERVICE

SPECIAL PROVISIONS (Cont'd):

Service Classification No. 1 - Street Lighting (Contd.)

3. Monthly Burning Hours: The monthly burning hours are as follows:

<u>Type</u>	<u>Hours/Month</u>
24 hour burning	730
Dusk to Dawn	350
Dusk to 1:00 am	169

4. Determination of Rate: The service point base distribution rates charged to Distribution Customers under this Tariff shall be equal to the bundled retail service rate as set forth in Appendix B (which includes the retailing backout credit of \$0.004 per kWh) minus the Market Based Backout Credit (MBBC), adjusted for the Supplier Reimbursement.

The MBBC fluctuates with the market price of electricity, and consists of two components:

1. Energy Component: For each day of the Distribution Customer's billing cycle, hourly market prices will be derived from the day ahead NYISO posted Locational Based Marginal Prices (LBMP) of electricity for NYISO Zone B, weighted to reflect hourly usage based on load profiles for the calendar month and day-type (Weekday, Saturday, or Sunday) for the Distribution Customer's service classification, or in the case of Service Classification No. 8, for the Distribution Customers' voltage class, to develop a weighted average value of market supply, which will then be adjusted to reflect losses. If the Distribution Customer's service classification has time-differentiated metered periods, a separate weighted average value of market supply will be developed for each metered period.

The weighted average value of market supply, for the Distribution Customer's specific billing period, is multiplied by the Distribution Customer's metered kWh usage to determine the value of market supply for each metered period to be credited to the Distribution Customer's bill.

2. Capacity Component: For each month, the Capacity Component of the MBBC is based on the NYISO's Unforced Capacity (UCAP) Monthly Auction clearing price for capacity, reserves, and losses (including Unaccounted For Energy and load growth) and the NYISO's UCAP Spot Market Auction clearing price for the additional obligation due to the NYISO demand curve.

The Supplier Reimbursement consists of two components:

1. NYISO Ancillary Services and NYPA Transmission Adjustment Charge (NTAC): Reimbursement for the NYISO Ancillary Services and NTAC will be calculated by multiplying the Distribution Customer's load in each hour by the NYISO ancillary services charges for Schedule 1 (fixed and variable), 2, 3, 5 and 6 and NTAC applicable to that hour, and summed over all hours in the calendar month.

2. Unaccounted For Energy (UFE) in the Energy Component of the MBBC: Reimbursement for UFE in the Energy Component of the MBBC will be calculated by multiplying the Distribution Customer's UFE in each hour by the day ahead NYISO posted LBMP of electricity for NYISO Zone B, and summed over all hours in the calendar month. UFE reimbursement will be true-up in accordance with the NYISO billing schedule.

(Continued on next leaf)

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