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Rochester Gas and Electric Corporation

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SCHEDULE A

SERVICE-POINT DISTRIBUTION SERVICE (Cont'd)

SPECIAL PROVISIONS: (Cont'd)

Service Classification No. 12 Power for Jobs Rate (Cont'd)

7. Load Factor Sharing: For months in which the Retail Customer service point receives a portion, but not all, of its electric requirements pursuant to a Power for Jobs allocation, the Distribution Provider shall apply a billing algorithm, designated "Load Factor Sharing," to identify for the purposes of billing, the load supplied by NYPA pursuant to Chapter 316 of the New York Laws of 1997 and the load supplied by the Distribution Customer. A step-by-step billing procedure used to calculate NYPA and Distribution Customer billing determinants is described as follows:

Determination of Billing Demand and Energy: For the purposes of this procedure, Billing Demand and Energy shall be determined in accordance with the Retail Customer service point's Parent Service Classification.

A. Demand:

- 1. Calculate the Billing Determinant Ratio ("BDR") which is used to allocate the Retail Customer service point's present month's Billing Demand and Energy between NYPA and the Distribution Customer. The BDR's numerator is the Power for Jobs Contract Demand and the BDR's denominator is the greater of:
 - a. the Retail Customer service point's maximum Billing Demand for the current month,
 - b. the value (size in kW) of the Power for Jobs Contract Demand.

The calculated value will then be greater than zero and less than or equal to 1.0.

- 2. Calculate the NYPA Billing Demand. The NYPA Billing Demand is the mathematical product of the BDR and the current month's Billing Demand.
- 3. Calculate the Distribution Customer's Billing Demand. The Distribution Customer's Billing Demand is the difference between the Billing Demand for the billing period and the NYPA Billing Demand from step A.2, above.

B. Energy:

- 1. Calculate NYPA Billing Energy. NYPA Billing Energy is the mathematical product of the BDR and total energy consumption at the Retail Customer's service point.
- 2. Calculate the Distribution Customer's Billing Energy. The Distribution Customer's Billing Energy is the difference between total energy consumption and NYPA Energy from step B.1, above.

(Continued on next leaf)

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