Received: 10/07/2004 Status: CANCELLED Effective Date: 01/01/2005

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Revision: 1
Initial Effective Date: January 1, 2005
Superseding Revision: Issued in compliance with order in Cases 03-E-0765, 02-E-0198, and 03-G-0766 dated May 20, 2004

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes a fixed component for RG&E delivery service, a fixed Transition Charge (TC, as described below), and a fixed commodity charge for electricity supply. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge: \$50.00

Delivery Demand Charge
(All months, per kilowatt) \$9.01

Energy Delivery Charge
(Peak hours, per kilowatt-hour) \$0.00663
(Off-Peak hours, per kilowatt-hour) \$0.00389

Meter Charge
Single Phase \$3.98

Single Phase \$3.98
Poly Phase \$6.55
Transition Charge: per kW \$0.00

Additional Meter Charge: As specified in the Additional Meter Charge section of this Service Classification.

System Benefits Charge:

All kilowatthours, per kWh

Per SBC Statement

Retail Access Surcharge:

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

<u>Transition Charge ("TC", or Non-Bypassable Charge ["NBC"])</u>:

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.

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