

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: February 19, 2004
Issued in compliance with orders in Case 98-M-1343 dated Nov. 21, 2003 and Cases 99-M-0631 and 03-M-0117 dated Dec. 19, 2003

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SERVICE CLASSIFICATION NO. 7

FIRM GAS TRANSPORTATION SERVICE FOR DISTRIBUTED GENERATION FACILITIES < 50 MW
(Cont'd)

- e) The total costs associated with ANR storage and transportation assets to be recovered through this PSC Transition Cost Surcharge shall be computed monthly as follows:

$$\$ANR = (BC_{CG} * T_{SC3}) - (BC_{CG} * T_{CG}) - [BC_{DY} * (T_{DY} + T_{CSC})]$$

where:

- $\$ANR$ = The total costs associated with ANR storage and transportation assets to be recovered through this PSC Transition Cost Surcharge
- BC_{CG} = The charge per therm that would have applied under the former Citygate Balancing Service
- T_{SC3} = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification No. 3.
- T_{CG} = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification No. 3 and are included in a Citygate Balancing Balance Control Account.
- BC_{DY} = The charge per therm for Daily Balancing Service
- T_{DY} = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification No. 3 and are included in a Daily Balancing Balance Control Account.
- T_{CSC} = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification No. 3 and are included in a CSC Enhanced Daily Balancing Balance Control Account.

- f) The ANR portion of the PSC Transition Cost per therm is calculated by dividing the total cost associated with stranded ANR storage assets in (e), above, by the total normalized sales of gas to the following customers:
- i) Customers taking service under Service Classification No. 3; and
 - ii) Customers taking service under Service Classification No. 1; and
 - iii) Customers taking service under Service Classification No. 4 who are subject to the gas cost adjustment; and
 - iv) Customers being served by ESCOs taking service under Service Classification No. 5.
 - v) Customers being served by ESCO's taking service under Service Classification No. 7.
 - vi) Customers taking service under Service Classification No. 6.
- g) The total PSC Transition Cost Surcharge per therm is equal to the sum of the rate per therm for upstream capacity in b), above, the rate per therm for Differential recovery in d), above, and the rate per therm for ANR cost recovery in f), above.

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