

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

Leaf No. 140  
 Revision: 0  
 Superseding Revision:

**SERVICE CLASSIFICATION NO. 7**

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

**C. PSC Transition Cost Surcharge (Continued)**

**2. Surcharge for Service Classification No. 7 Service Points, whose annual use is greater than or equal to 35,000 therms or whose generating capacity is greater than or equal to 5 MW**

For those service points served under Service Classification No. 7 B and C, whose annual gas use is greater than or equal to 35,000 therms or whose generating capacity is greater than or equal to 5 MW. Service Classification No. 7 customers who were previously taking service under Service Classification No. 3 - General Service Firm Transportation of the Company's Schedule for Gas Service, P.S.C. No. 16 until the time of transfer to Service Classification No. 3 of the Company's Schedule for Gas Distribution Service, P.S.C. No. 17, and which converted to such Service Classification No. 3 from Service Classification No. 1 - General Service of P.S.C. No. 16 prior to November 1, 1996, the rates per therm herein provided shall be subject each month to a surcharge to collect a pro-rata share of the costs associated with ANR storage and associated transportation assets formerly recovered through citygate balancing charges.

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

$$\text{\$ANR} = (\text{BC}_{\text{CG}} * \text{T}_{\text{SC3}}) - (\text{BC}_{\text{CG}} * \text{T}_{\text{CG}}) - [\text{BC}_{\text{DY}} * (\text{T}_{\text{DY}} + \text{T}_{\text{CSC}})]$$

where:

$\text{\$ANR}$  = The total costs associated with ANR storage and associated transportation assets to be recovered through this PSC Transition Cost Surcharge.

$\text{BC}_{\text{CG}}$  = The charge per therm that would have applied under the former Citygate Balancing Service.

$\text{T}_{\text{SC3}}$  = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification Nos. 3 and 7.

$\text{T}_{\text{CG}}$  = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification Nos. 3 and 7 and which were formerly included in a Citygate Balancing Balance Control Account.

$\text{BC}_{\text{DY}}$  = The charge per therm for Daily Balancing Service.

$\text{T}_{\text{DY}}$  = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification Nos. 3 and 7 and are included in a Daily Balancing Balance Control Account.

$\text{T}_{\text{CSC}}$  = The total normalized annual (twelve months rolling average) throughput for all Customer service points which are being served under Service Classification Nos. 3 and 7 and are included in a CSC Enhanced Daily Balancing Balance Control Account.

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