

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: February 1, 2004
In compliance with order in Case 02-E-0551, Establishing Electric Standby Rates, Issued and Effective July 29, 2003

Leaf No. 247
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 14**STANDBY SERVICE (Cont'd)**

2. Capacity Component: For each month, the Capacity Component 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.
3. NYISO Ancillary Services and NYPA Transmission Adjustment Charge (NTAC): The NYISO Ancillary Services and NTAC will be calculated by multiplying the 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.
4. Unaccounted For Energy (UFE) in the Energy Component: The UFE in the Energy Component will be calculated by multiplying the 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 will be trued-up in accordance with the NYISO billing schedule.

B. Customers Choosing Real-Time Pricing (RTP):

Standby Customers electing to purchase electricity supply from RG&E may opt for Real Time Pricing ("RTP"), as would be appropriate and applicable to standby Customers, provided that RG&E is not obligated to provide such RTP until the first billing period following November 1, 2004.

C. The Customer is responsible for its appropriate share of any penalties incurred by the Company from the NYISO, or others, for unscheduled energy use. The penalties include, but are not limited to, congestion costs, marginal losses, and installed or unforced capacity deficiencies.

INTERCONNECTION REQUIREMENTS:

1. A customer may connect an OSG facility for parallel operation with the Company's delivery system, or isolate for operation with Standby Service provided by a wholesale generator by means of a double throw transfer switch, or another transfer switching scheme acceptable to the Company.
2. A customer must complete an Application for Service and must operate in compliance with standards and requirements set forth in either the Distributed Generation Interconnection Requirements found in this Schedule at Rule 10.A.II, entitled "Interconnection Requirements" or RG&E's Bulletin 86-01 In addition, customers must execute either the NYS Standardized Contract For Interconnection of New Distributed Generation Units With Capacity of 300 kVA or Less, or Farm Waste Generators of 400 kW or Less, to be Operated in Parallel ("SIR Contract"), as contained in this Schedule at Rule 10.D, or the applicable contract.

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