Received: 12/04/2003 Status: CANCELLED Effective Date: 02/19/2004

PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Initial Effective Date: March 1, 2004

Leaf No. 130.2

Revision: 0

Superseding Revision:

Issued under the authority of the PSC in Case Nos. 02-E-0198 and 02-G-0199, issued and effective March 7, 2003

SERVICE CLASSIFICATION NO. 3

LARGE TRANSPORTATION SERVICE (Cont'd)

- (2) The interdepartmental rate per dekatherm in (1) shall be applied to the total quantity of gas delivered for use by the other departments during the 12 calendar months immediately preceding the computation dates to arrive at the total interdepartmental sales credit; and
- (3) The total interdepartmental sales credit in (2) shall be divided by the total normalized quantity of gas delivered to all Customers served under this tariff to arrive at the interdepartmental sales credit.

B. FERC Order 636 Transition Cost Surcharge

The delivery rates per therm as herein provided shall be subject to a surcharge calculated according to the New York State Public Service Commission's Opinion and Order 94-26 in Case 93-G-0932, issued and effective December 20, 1994, for the recovery of FERC Order 636 Transition Costs.

C. PSC Transition Cost Surcharge

1. Surcharge for Pre 11/96 Service Classification No. 3 Service Points

For those service points served under Service Classification No. 3 which were continuously 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:

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

where:

\$ANR = The total costs associated with ANR storage and associated 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 which were formerly 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.

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