PSC No: 19 - Electricity Rochester Gas and Electric Corporation Initial Effective Date: June 24, 2022 Leaf No. 81 Revision: 25 Superseding Revision: 24

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

K. <u>SURCHARGES (Cont'd)</u>

Revenue Decoupling Mechanism Adjustment ("RDM"):

- 1. Applicable to:
 - a. All customers taking service under residential Service Classification Nos. 1 and 4, and general service under Service Classification Nos. 2, 3,7, 8-Secondary, 8-Substation, 8-Sub Trans Industrial, 8-Sub Trans Commercial, 8-Primary, 9, and 14; whether receiving electricity supply from the Company or an ESCO, such customers shall be subject to a RDM Adjustment as described below.
 - i. For reconciliation purposes, the Company shall combine all residential service classes and shall maintain individual general service classes; as noted above in 1.a.
 - b. The following customers shall be excluded from the RDM Adjustment: Service Classification Nos. 5, 6, 8-Transmission, 10, and 11.

2. Definitions:

- a. "Delivery Service Revenue Target" for residential service classifications, shall be based on combined residential service classification base delivery revenues for each month; and for general service classifications, it shall be based on individual service classification base delivery revenues for each month.
- b. "Actual Billed Delivery Service Revenue": For the purpose of RDM, shall be measured as the sum of the billed base delivery revenues from all customers for each service classification. Base delivery revenues include revenues related to the Customer Charge, Demand Charge (per kW), Reactive Charge (per rkvah), and the Energy Charge for delivery (per kWh), Contract Demand Change (per kW), As Used Demand (per kW), and the applicable delivery component of the Customer Benefit Contribution ("CBC") Charge. For the purposes of this calculation, billed Late Payment Charges shall be included in the Actual Billed Delivery Service Revenue. For purposes of this calculation, revenues related to the System Benefits Charge (SBC), Rate Adjustment Mechanism (RAM), Merchant Function Charge (MFC), Transition Charge, and New York Power Authority (NYPA) supplied usage are excluded. All sales to customers with economic development discounts or low-income bill credits shall be calculated at standard service classification rates.
- c. "Rate Year": for the purposes of RDM, Rate Year 1 shall be effective May 1, 2023 through April 30, 2024. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.

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