PSC No: 19 - Electricity Rochester Gas and Electric Corporation Initial Effective Date: June 24, 2022 Leaf No. 81.1.2 Revision: 3 Superseding Revision: 2

GENERAL INFORMATION <u>4. METERING AND BILLING</u> (Cont'd)

K. SURCHARGES (Cont'd)

Earnings Adjustment Mechanism ("EAM") (Cont'd)

- A. Cost recovery shall be determined as follows: (Cont'd)
 - 2. Beneficial Electrification ("BE")
 - Heat Pump CO2 Reduction EAM; or
 - Electric Vehicle Make Ready EAM; or
 - Electric Vehicle CO2 Reduction EAM
 - a. For the BE EAMs, the Company shall allocate EAM incentives to Service Classifications for the BE EAM using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight using the energy allocator.
 - 3. Distributed Energy Resources ("DER") Utilization
 - DER MWH Connected EAM; or
 - Coordinated Electric System Interconnection Review ("CESIR") Study Turnaround Time EAM; or
 - Developer Checkout Passing Rate EAM
 - a. For the DER EAMs, the Company shall allocate EAM incentives to Service Classifications using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight.
 - 4. Electric Class Load Factor EAM
 - a. For the Electric Class Load Factor EAM, the Company shall allocate EAM incentives to Service Classification using the transmission demand allocator (12 CP).
- B. Recovery of EAM Incentives

Recovery of earned Electric EAMs will be through the Transition Charge. The EAM will be collected from customers on a kW basis for demand billed customers and a per kWh basis for non-demand billed customers.

C. Calculation

The EAM surcharge shall be calculated by dividing the earned incentive for each service classification by the forecast sales or demand for that service classification.

The EAM surcharge collected from customers will be subject to an annual reconciliation for any over or under collections from the previous year and at the end of the contract term if less than an annual period. The EAM reconciliation over or under collections will be credited or surcharged to customers.

A Statement setting forth the EAM Surcharge shall be filed with the Public Service Commission on not less than 30-days' notice.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, NY

Suspended to 10/22/2022 by order in Case 22-E-0319. See Supplement No. 75. The supplement filing date was 06/20/2 Suspended to 04/22/2023 by order in Case 22-E-0319. See Supplement No. 76. The supplement filing date was 09/22/2 Suspended to 07/01/2023 by order in Case 22-E-0319. See Supplement No. 77. The supplement filing date was 04/20/2 Suspended to 10/19/2023 by order in Case 22-E-0319. See Supplement No. 78. The supplement filing date was 06/28/2 Cancelled by supplement No. 80 effective 10/17/2023