

PSC No: 19 - Electricity  
 Rochester Gas and Electric Corporation  
 Initial Effective Date: November 1, 2023  
 Issued in compliance with Order in Case No. 22-E-0319, dated October 12, 2023.

Leaf No. 81  
 Revision: 26  
 Superseding Revision: 24

## GENERAL INFORMATION

### 4. METERING AND BILLING (Cont'd)

#### **K. SURCHARGES (Cont'd)**

##### **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. All customers taking service under Service Classification No. 14 shall be subject to the RDM Adjustment based on their OASC.
  - 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. Delivery Service Revenue Targets for each of the Rate Years are set forth in the Joint Proposal dated June 14, 2023 in Case Nos. 22-E-0317, 22-G-0318, 22-E-0319, and 22-G-0320 and approved by the Commission on October 12, 2023. The Delivery Service Revenue Target for Rate Year 3 shall repeat annually until changed by the Commission.
  - 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 rkvarh), and the Energy Charge for delivery (per kWh), Make-Whole Charge, Contract Demand Charge (per kW), As Used Demand (per kW), and the applicable delivery component of the Customer Benefit Contribution ("CBC") Charge. 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 through April 30, 2024. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.