Status: CANCELLED Received: 05/29/2018 Effective Date: 07/16/2018

PSC No: 16 - Gas

Rochester Gas and Electric Corporation

Revision: 5

Initial Effective Date: July 16, 2018

Leaf No. 138

Revision: 5

Superseding Revision: 4

SERVICE CLASSIFICATION NO. 7

FIRM GAS TRANSPORTATION SERVICE FOR DISTRIBUTED GENERATION FACILITIES < 50 MW (Cont'd)

OTHER CHARGES (Cont'd)

- C. Transition Cost Surcharge (Cont'd)
 - (1) Surcharge for Service Classification No. 7 Customers whose annual gas use is less than 35,000 therms and whose generating capacity is less than 5 MW (Cont'd)
 (a) (Cont'd)
 - ucap = The Company's total unreleased upstream pipeline capacity less the amount of DTI FTNN and FTNNGSS capacity used for balancing Service Classification No. 3 customers under the Daily Balancing Service.
 - ucap\$ = The Company's total upstream pipeline capacity costs, less:
 - i) Revenues achieved by the Company from releases of capacity; and
 - ii) Charges associated with capacity that is either a) assigned to ESCOs through the Retail Access Capacity Program detailed in Service Classification No. 5; or b) used by the ESCO to provide retail service under Service Classification No. 1; or c) used by the Company to provide Daily Balancing Service to Service Classification No. 3 or Service Classification No. 7 customers.
 - (b) The total capacity cost per therm is calculated by dividing the total cost in (a), above, by the total forecasted volumes of gas delivered to the following Customers:
 - i) Customers being served by ESCOs taking service under Service Classification No. 3 who converted to such service from Service Classification No. 5 or Service Classification No. 1, after November 1, 1996, excluding gas delivered to new load as defined in C.(1)(a)(i), above; and
 - Customers taking service under Service Classification No. 1 or Service Classification No. 6;
 and
 - iii) Customers taking service under Service Classification No. 4, who are subject to the gas cost adjustment; and
 - iv) Customers being served by ESCOs taking service under Service Classification No. 5 or Service Classification No. 7.

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