

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: July 1, 2015
Issued in Compliance with Order in Case 14-E-0423 dated December 15, 2014

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Revision: 11
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GENERAL INFORMATION

12. SUPPLY SERVICE OPTIONS (Cont'd)

B. Transition Charge (Non-Bypassable Charge or ["NBC"])

1. Calculation of the Transition Charge (Non-Bypassable Charge ["NBC"]) (Cont'd):

The components of the Transition Charge shall be set monthly based on a forecast and subject to a monthly true-up for all components based on the actual after-the-fact costs and load subject to the NBC.

- a. Variable costs of the Company owned generation
- b. Transmission-related costs and revenues,
- c. The value of the output of the Company-owned generation;
- d. The net value of NYPA and Ginna purchased power contracts. The net value shall be based on a forecast of the output and contract costs, and market prices;
- e. Monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b));
- f. Any over- or under- collections from reconciliation of the Residential Agricultural Discount, as set forth in Rule 4.L.6 shall be included in a subsequent monthly NBC for the residential customer classes. Application of the Residential Agricultural Discount reconciliation amounts to the NBC shall not cause the NBC to reduce the delivery bill to less than zero
- g. Any remaining over- or under-collections from the Retail Access Surcharge;
- h. Any Public Service Commission approved adjustments.
- i. Costs associated with the Demand Response Programs pursuant to Rules 4.R, 4.S., or 4.T.

Effective December 1, 2011, pursuant to the Order in Case 01-E-0011, issued and effective October 26, 2001, the purchased power contract with the new owner of the nuclear generating plant previously co-owned by the Company shall convert to a Revenue Sharing Agreement (RSA).

Any applicable payments received under the RSA for a contract quarter shall be refunded to customers beginning in the calendar month following the month in which the payment is received. Such payments shall be refunded to customers over three consecutive months. An allowance for carrying charges at the other customer deposit rate in effect at the time of the payment shall also be included.

All service classes shall pay the same charge on a volumetric basis, except residential customer classes who shall also receive the benefits, if any, of NYPA purchased power and monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b)), consistent with any Company contracts with NYPA for such purchased power and/or monthly payments.

All items collected through the NBC shall be reconciled and true-up monthly. The credits or charges related to the reconciliation shall be included in a subsequent monthly NBC.

2. Transition Charge (TC) Statement:

A Transition Charge ("TC") Statement setting forth the Transition Charge (NBC) shall be filed with the Public Service Commission on not less than one day's notice.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York