

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: July 1, 2016
Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016

Leaf No. 127.46.2
Revision: 6
Superseding Revision: 4

GENERAL INFORMATION

13. SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS")

- A. Each customer bill for service under Service Classification Nos. 1, 3, 4, 5, 6, 7, 8, and 9 shall be increased to collect a Temporary State Energy and Utility Service Conservation Assessment pursuant to the Commission's *Order Implementing Temporary State Assessment*, issued June 19, 2009. This surcharge rate shall be applied per Therm.
- B. Each year a reconciliation of the amounts to be recovered through the surcharge and the actual amounts calculated shall be reflected in the establishment of the TSAS for the following year.
- C. A Temporary State Assessment Surcharge (TSAS) Statement setting forth the surcharges by service classification shall be filed with the Public Service Commission on not less than 15 days' notice. Such statement can be found at the end of this Schedule (P.S.C. No. 16 – Gas).

14. REVENUE DECOUPLING MECHANISM (RDM) ADJUSTMENT

1. Applicable to:

All customers taking firm service under Service Classification Nos. 1, 3, and 5 shall be subject to a RDM Adjustment as described below.

2. Definitions

- a. Revenue per Customer (RPC) Targets – monthly weather-normalized targets shall be developed based on delivery revenue requirement established in Case No 15-G-0286. Residential customers taking service under Service Classification No. 1 and Service Classification No. 5 shall be combined into monthly RPC Targets. Non-residential customers taking service under Service Classification Nos. 1, 3 and 5 shall be combined into monthly RPC Targets. RPC Targets for each of the Rate Years are set forth in the Joint Proposal dated February 19, 2016 in Case Nos. 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286, and approved by the Commission on June 15, 2016. The RPC Target for Rate Year 3 shall repeat annually until changed by the Commission. The Company shall verify service class customer counts at the end of each Rate Year by dividing actual rate year minimum charge revenues for each service classification by the applicable minimum charge for the period.
 - (i) The Company shall have two RDM classes for reconciliation purposes: one residential class consisting of residential Service Classification Nos. 1 and 5 customers; and one consolidated non-residential class consisting of non-residential Service Classification Nos. 1, 3, and 5 customers.
- b. "Delivery Revenues" - For the purpose of RDM, Delivery Revenues shall be measured as the sum of the billed base delivery revenues from all customers for each service classification (customer charges and per therm delivery rates). For purposes of this calculation, revenues related to the System Benefits Charge (SBC), Rate Adjustment Mechanism (RAM), Merchant Function Charge (MFC), Transition Charge, Temporary State Assessment Surcharge (TSAS), and gross receipts taxes are excluded. All sales to economic incentive rate incentive customers and low income customers shall be priced out at standard service classification rates in developing the RPC Targets.
- c. "Rate Year" – for the purposes of RDM, Rate Year 1 shall be effective through April 30, 2017. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.

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