PSC No: 16 - Gas   Leaf No. 147.12
Rochester Gas and Electric Corporation   Revision: 3
Initial Effective Date: May 1, 2017   Superseding Revision: 2

SERVICE CLASSIFICATION NO. 9

RESIDENTIAL DISTRIBUTED GENERATION GAS TRANSPORTATION SERVICE (Cont'd)

6. Retail Access Capacity Program (Cont'd)
    i. Transfer of Storage and Capacity to the ESCO (Cont'd)

ESCO Charge:

The ESCO shall pay the Company: 1) the weighted average commodity cost of gas in DTI storage ($WACOSG_1$) multiplied by the quantity of gas transferred; plus 2) a contribution to storage capacity costs calculated as shown below.

The weighted average cost of commodity shall be billed for each transfer of DTI storage.

The contribution to storage capacity will be calculated differently for east side and west capacity as indicated below. The calculations for the east side and west side will be added together to derive a total cost.

Applicable to DTI pipeline for the months May – March
East side = $(rscapdti * wacos_3 * months_{APR}) + (rscapdti * months_{NOV} * (ftnngss\$/cgdeliv_{DTI}))$

Applicable to Empire Pipeline Storage for the months May – March:
Empire side = $(rscapun * wacos_1 * months_{APR})$
Where:
Empire side   =   Empire storage (demand, capacity and storage transportation).

DTI side =   DTI storage (demand and capacity).

rscapdti   =   The amount of storage deliverability from DTI storage at city gate released to the ESCO (in Dt).

rscapun   =   The amount of storage deliverability from Empire storage at city gate released to the ESCO (in Dt).

$wacos_1$ =   The Company's monthly weighted average cost of storage assets, Empire side plus DTI side (in $/Dt). $wacos_2$ =   The Company's monthly weighted average cost of storage assets, Empire side plus DTI side plus FTNNGSS (in $/Dt).

$wacos_3$ =   Empire side capacity (in $/DT) for the months of April 2015- October 2015.

$months_{APR}$ =   The number of months from April to the month prior to the transfer month, inclusive.

$months_{NOV}$ =   The number of months from November to the month prior to the transfer month, inclusive.

ftnngss\$ =   The Company's total monthly costs for DTI's FTNNGSS transportation service (in $/month).

$cgdeliv_{DTI}$ =   The Company's total DTI storage deliverability at city gate (in Dt).(Continued on next leaf)

$WACOSG_1$ = Weighted average cost of Storage Gas in DTI Storage

$WACOSG_2$ = Weighted average cost of Storage Gas in Empire Storage

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