

PSC No: 18 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: May 1, 2017

Leaf No. 24.2
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

10. Rate Adjustment Mechanism ("RAM") (Cont'd)

F. Carrying Costs:

The Company shall accrue carrying costs on RAM Eligible Deferrals and costs as follows:

- (1) During the period that the RAM is in effect for those deferral balances being specifically collected or returned, carrying costs shall be based on the Commission's authorized Other Customer Capital Rate.
- (2) RAM Eligible Deferral Balances not in the RAM tariff due to the annual dollar amount restrictions set forth above shall accrue carrying charges as follows:
 - (a) Net Deferral amounts at or under the annual RAM recovery / return limits shall accrue carrying charges at the Other Customer Capital Rate;
 - (b) Additional deferral amounts over the annual RAM recovery / return limits, up to one year's worth of value, shall accrue carrying costs at the Other Customer Capital Rate; and
 - (c) Additional deferral amounts over the annual RAM recovery / return limits in Rule 10.F.(2)(a) and (2)(b) above, shall accrue carrying costs at the Company's respective Pre-Tax Weighted Cost of Capital, applied to the after-tax balance.

G. Filings and Statements:

- (1) A RAM Compliance Filing setting forth the RAM rates by Service Classification shall be filed with the Commission by March 31 on an annual basis.
- (2) A RAM Statement setting forth the RAM rates shall be filed with the Commission on not less than 30 days' notice to be effective July 1. Such statement may be found at the end of this Schedule.

11. Reserved for Future Use

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