

Lori A. Cole Manager - Regulatory & Tariffs

September 13, 2016

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess, Secretary New York State Public Service Commission Three Empire State Plaza Albany, New York 12223-1350

> Re: Case 15-G-0286 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Gas Service

Dear Secretary Burgess,

Rochester Gas and Electric Corporation ("RG&E" or the "Company") hereby transmits for filing the enclosed tariff leaves in compliance with the New York State Public Service Commission's (the "Commission") <u>Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal</u> (the "Order"), issued and effective June 15, 2016, in the above-referenced proceeding. These tariff leaves are transmitted for filing in accordance with the requirements of Appendix 7-H (electric tariff filing system) of the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H). Appendix A sets forth a list of the revised tariff leaves to become effective May 1, 2017 in order to coincide with Rate Year 2.

Purpose of Filing

The Company is filing tariff amendments in compliance with the Joint Proposal to implement a gas interruptible rate. The proposed amendments are similar to New York State Electric & Gas Corporation's Service Classification No. 3 – Interruptible Sales Service in P.S.C. No. 87, and Service Classification No. 2 – Interruptible Transportation Service in P.S.C. No. 88.

Overview of Filing

RG&E is proposing to add Service Classification No. 15 - Interruptible Sales Service, and Service Classification No. 16 – Interruptible Transportation Service to provide large non-residential customers with the option to select interruptible service. To be eligible, a customer must purchase a minimum of 40,000 therms per billing month.



Honorable Kathleen H. Burgess, Secretary September 13, 2016

Pricing for the interruptible service will be based upon market conditions considering the following service characteristics: usage, alternate fuel/access to alternate fuel, tax exemption status and other market conditions. Customers taking service under these Service Classifications will be required to install daily metering equipment and have a dedicated telephone line available as set forth in the Gas Transportation Operating Procedures Manual.

Revenue Decoupling Mechanism ("RDM")

Since Service Classification Nos. 15 and 16 are new, and potential customers are likely to transfer from existing service classifications that are subject to the RDM, the Company will therefore continue to apply the RDM Adjustment to those customers and include revenues from Service Classification Nos. 15 and 16 in its non-residential reconciliation.

Newspaper Publication

The Company respectfully requests the requirement of 66(12)(b) of the Public Service Law and 16 NYCRR Section 720-8.1 as to newspaper publication be waived as the Company will directly notify potential eligible customers upon Commission approval.

If you have any questions related to this filing, please contact Linda Dent at 585-771-4701 or me at 607-762-8710.

Respectfully submitted,

Lori A. Cole



Rochester Gas and Electric Corporation

Rate Case Compliance Filing – Gas Interruptible Rate List of Filed Leaves Appendix A

P.S.C. No. 16 - Gas

Leaf No. 69.1, Revision 2 Leaf No. 70, Revision 13 Leaf No. 75, Revision 8 Leaf No. 98, Revision 6 Leaf No. 98.1, Revision 0 Leaf No. 127.46.2, Revision 7 Leaf No. 152, Revision 0 Leaf No. 153, Revision 0 Leaf No. 154, Revision 0 Leaf No. 155, Revision 0 Leaf No. 156, Revision 0 Leaf No. 157, Revision 0 Leaf No. 158, Revision 0 Leaf No. 159, Revision 0 Leaf No. 160, Revision 0 Leaf No. 161, Revision 0 Leaf No. 162, Revision 0