

June 1, 2005

**VIA ELECTRONIC SUBMITTAL**

Honorable Jaclyn A. Brillling  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

**RE: Revisions to Rochester Gas and Electric Corporation's ("RG&E" or the "Company") May 12, 2005, PSC No. 19 – Pole Attachment Rental Rate Tariff Filing (the "May 12 Filing"), in Case 05-E-0566**

Dear Secretary Brillling:

The enclosed POLE Statement No. 2 – CATV and CLEC Pole Attachments Rate Statement in RG&E's PSC No. 19 – Electricity tariff, issued by RG&E, is transmitted for filing with the New York State Public Service Commission ("Commission"). This filing is also made in accordance with Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H). The POLE Statement is to become effective August 1, 2005.

Subsequent to its May 12 Filing, RG&E filed revisions to its FERC Form 1. Because data from FERC Form 1 is used in the calculation of the Pole Attachment Rental Rate, RG&E is hereby filing a revised POLE Attachments Rate Statement that reflects the revised FERC Form 1 data. Also enclosed are workpapers supporting the calculation of the revised Pole Attachment Rental Rate.

The revised Pole Attachment Rental Rate will produce an overall revenue increase of \$12,482, and therefore, under the Commission's Rules of Procedure, a hearing is not required. Note the Pole Attachment Rental Rate filed in the May 12 Filing would have resulted in an overall revenue increase of \$11,522.

As in the May 12 Filing, the revised Pole Attachment Rental Rate is calculated in accordance with the PSC method of applying the FCC formula, and is based on the Company's accounts at calendar year ending December 31, 2004. The revised Pole Attachment Rental Rate is the same as the pro forma rate filed on June 1 by RG&E in accordance with Ordering Clause 2 of the Order Denying Petition, issued and effective January 12, 2005, in Case 04-M-0980.

Please call Curt Roney at (585)724-8252 with any questions regarding this filing.

Very truly yours,

Mark O. Marini  
Manager, Regulatory and Tariffs  
Rates and Regulatory Economics

Enclosures

**Cable and Telecom Pole Attachment Rate Calculations (2004 Data)**  
**5/27/2005**

Rate per Pole Attachment		
Description	Amount	Source
a) Attachment Space Occupancy	1	Default minimum
b) Usable Space on an average RG&E Pole	13.50	FCC default
c) Unusable Space on an average RG&E Pole	24.00	FCC default
d) Average Pole height	37.50	FCC Default
e) Net Pole Investment	55,868,666	From Calculation 1
f) Total Number of Poles	150,745	see Calculation 8
g) Cost per Pole	371	= e / f
h) Net Cost of Bare pole	315.03	= g * .85
i) Carrying Charge Rate	53.64%	From Calculation 3
j) No. of Attaching entities	5	see Calculation 8
k) Current Rate	11.74	
<b>Rate for Cable &amp; TelCom</b>		
Rate = <i>Space Occupied / Usable Space * Net Cost of Bare Pole * Carrying Charge Rate</i>		
Rate =	<b>12.52</b>	

## Cable and Telecom Pole Attachment Rate Calculations (2004 Data)

### 5/27/2005

Net Pole Investment		Calculation 1
Description	Amount	Source
a) Gross Pole Investment	85,197,742	FERC account 364
b) Accumulated depreciation	23,616,648	From GL R36400
c) Accumulated deferred taxes	5,712,428	From Calculation 2
<b>Net Pole Investment</b>	<b>55,868,666</b>	= (a - b - c)

Accumulated deferred taxes (Poles)		Calculation 2
Description	Amount	Source
a) Gross Pole Investment	85,197,742	FERC account 364
b) <b>Total Gross Plant (Electric)</b>	<b>1,230,303,719</b>	FERC Page 200, Total 3 thru 7, Ln 8
c) % Gross Pole Investment vs Gross Plant	6.9249%	= a / b
d) Total Accumulated Deferred Income Taxes (Electric)		
(d1) ADIT (db acct)	174,879,118	FERC Account 190, page 234, Ln8
(d2) ADIT Accel-Amortization liabilities	-	FERC Account 281 page 273, Ln 8
(d3) ADIT Other Property liabilities	121,100,015	FERC Account 282 page 275, Ln 2
(d4) ADIT Other liabilities	<u>136,269,806</u>	FERC Account 283 page 277, Ln 9
e) Total deferred Taxes	82,490,703	- d1 + d2 +d3 + d4
<b>Accumulated deferred taxes (Pole)</b>	<b>5,712,428</b>	= d * c

Carrying Charge Rate		Calculation 3
Description	Amount	Source
a) Administrative Rate	10.90%	From Calculation 4
b) Maintenance Rate	7.76%	From Calculation 5
c) Depreciation Rate	3.72%	From Calculation 6
d) Taxes Rate	20.01%	From Calculation 7
e) Return Rate	11.25%	
<b>Carrying Charge Rate</b>	<b>53.64%</b>	= a + b + c + d + e

## Cable and Telecom Pole Attachment Rate Calculations (2004 Data) 5/27/2005

Administrative Carrying Charge			Calculation 4
Description	Amount	Source	
<i>b,c&amp;d including production plant</i>			
a) Total General & Administrative Expenses	77,260,017	FERC Form 1 Page 323	
b) Gross Plant Investment (Electric)	1,230,303,719	FERC Page 200, Total 3 thru 7, Ln 8	
c) Accumulated Depreciation (Electric)	438,809,526	FERC Form 1 Page 200	
d) Accumulated Deferred Taxes (Electric)	82,490,703	From Calculation 2.(e)	
<b>Administrative Carrying Charge</b>	<b>10.90% = a / (b - c - d)</b>		

Maintenance Carrying Charge			Calculation 5
Description	Amount	Source	
a) Maintenance Account	9,166,468	Account 593 Page 322	
b) Pole Investments Acct 364, 365, 369			
- Investments in account 364	85,197,742	FERC account 364, Pg 207, Ln59	
- Investments in account 365	81,287,031	FERC account 365, Pg 207, Ln 60	
- Investments in account 369	35,152,902	FERC account 369, Pg 207, Ln 64	
	201,637,675		
c) Depreciation of Pole Investments in acct 364, 365, 369			
- Depr. Pole Investments in acct 364	23,616,648	From GL R36400, Entered in Calc 1	
- Depr. Pole Investments in acct 365	27,376,599	From GL R36500	
- Depr. Pole Investments in acct 369	19,042,370	From GL R36900	
	70,035,617		
d) Gross Plant (Electric)	1,230,303,719		
e) Total Acc.Def. Inc. Taxes (Electric)	82,490,703	from Calculation 2	
f) Accumulated Deferred Income Taxes related to account 364, 365, 369	13,519,616	= (b / d) * e	
<b>Maintenance Carrying Charge</b>	<b>7.76% = ( a / (b - c - f)</b>		

Depreciation Carrying Charge			Calculation 6
Description	Amount	Source	
a) Gross Pole Investment	85,197,742	FERC Account 364	
b) Net Pole Investment	55,868,666	From Calculation 1	
c) Depreciation Rate for Pole	2.44%		
<b>Depreciation Carrying Charge</b>	<b>3.72% = (a / b) * c</b>		

**Cable and Telecom Pole Attachment Rate Calculations (2004 Data)**  
**5/27/2005**

Taxes Carrying Charge		Calculation 7
Description	Amount	Source
a) Account 408.1 Taxes other than Income Tax		FERC Account 408.1 From GL
- 40811	52,428,527	
- 40813	22,483,007	
- 408PA	-	
	<u>74,911,534</u>	
b) Account 409.1 Federal & Other Income tax		FERC Account 409.1 From GL
- 40911	64,719,195	
- 40912	(7,952,878)	
- 40913	2,761,040	
- 40914	772,552	
	<u>60,299,909</u>	
c) Account 410.1 Prov. Deferred Income Tax - db.		FERC Account 410.1 From GL
- 41011	86,419,236	
- 41012	14,020,694	
- 41013	3,475,088	
- 41014	(231,389)	
	<u>103,683,629</u>	
d) Account 411.4 Investment Tax Credit	-	FERC Account 411.4 From GL
e) Account 411.1 Prov. Deferred Income Tax - Cr.		FERC Account 411.1 From GL
- 41111	(16,837,469)	
- 41112	3,276,800	
- 41113	508,151	
- 41114	331,785	
	<u>(12,720,733)</u>	
f) Subtotal (a + b + c + d + e)	226,174,339	
g) Gross Plant Investment (Total Plant)	1,974,113,062	FERC Page 200, Total 3 thru 7, Ln 8
h) Accumulated Depreciation (Plant)	706,969,952	FERC Account 108, 111, 115
i) Total deferred Taxes (Total Plant)		
(i1) ADIT (Acc Def Inc Tax)	212,037,537	FERC Account 190, page 234, Ln18
(i2) ADIT Accel-Amortization liabilities	-	FERC Account 281 page 273, Ln 17
(i3) ADIT Other Property liabilities	201,288,800	FERC Account 282 page 275, Ln 9
(i4) ADIT Other liabilities	147,692,383	FERC Account 283 page 277, Ln 19
	<u>136,943,646</u>	- i1 + i2 + i3 + i4
j) Net Utility Plant in Service	1,130,199,464	g - h - i
<b>Taxes Carrying Charge</b>	20.01% f / j	

**Cable and Telecom Pole Attachment Rate Calculations (2004 Data)**  
**5/27/2005**

Determination of Usable Space		Calculation 8
Description		
a) Total Poles	227,886	
b) Sole Owned Poles	73,603	
c) Joint Owned poles	154,283	
d) Percent Sole Owned (B / A)	32.30%	
e) Percent Joint Owned (C / A)	67.70%	
f) No. of RG&E Equivalent Poles	150,744.50	
f) Setting Depth - ft	6.00	
g) Minimum Attachment Height (ft)	18.00	
h) Average height of RG&E Pole	37.17	
i) Unusable Pole Top (5") .42 ft	0.00	
j) Usable space RG&E Equivalent Pole	13.17	= h - f - g - i
k) Unusable space RG&E Equivalent Pole	24.00	= h - j
l) Average number of attachees (Urban)	5	