

June 16, 2010

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223-1350

Re: Case No. 09-M-0311 – Implementation of Chapter 59 of the Laws of 2009  
Establishing a Temporary Annual Assessment Pursuant to Public Service  
Law §18-a(6) – Annual Compliance Filing

Dear Secretary Brillling:

Rochester Gas & Electric Corporation ("RG&E" or the "Company") hereby submits for filing the enclosed statements, listed below, to become effective July 1, 2010, in further compliance with Ordering Paragraph 1 of the New York Public Service Commission's (the "Commission") Order Implementing Temporary State Assessment in the above-referenced proceeding, issued and effective June 19, 2009 (the "Order") and Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

PSC No. 16 - Gas, Schedule for Gas Service – TSAS No. 4  
PSC No. 19 - Electricity, Schedule for Electric Service - TSAS No. 4

**Overview of the Filing**

Today's filing sets forth updated Temporary State Assessment Surcharges in compliance with the Order.

For both electric and gas service, RG&E has allocated the Temporary State Assessment Surcharge amounts to the respective service classes based on the Company's 2009 delivery and supply revenues and the estimated 2009 ESCO supply revenues. Electric and gas surcharge rates were then derived based on the resulting allocated Temporary State Assessment amount for each service class. The Order provides that "To the extent the amount of the Temporary State Assessment decreases in any year due to a fluctuation in annual intrastate gross operating revenues, we authorize the companies to maintain the prior year's surcharge in order to improve their cash flow position without increasing customers' bills."<sup>1</sup>

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<sup>1</sup> Order, at page 32.

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For electric, the resulting surcharge rates are a per kWh charge or a per kW charge, as applicable<sup>2</sup>. For customers taking service under Service Classification No. 14, the TSAS will be applied to the Contract Demand charge. The Company's calculations demonstrated that the surcharge rates for the residential Service Classification No. 1 and Service Classification No. 8 – Transmission required updates. Other electric surcharges listed on the statement remain unchanged.

For gas, the resulting surcharge rate is a per therm charge. The Company's calculations demonstrated that the surcharge rates for Service Classification Nos. 6 and 7 required updates. Other gas surcharges listed on the statement remain unchanged.

For customers taking service under electric Service Classification Nos. 10, 11, or 12, or having received an economic incentive, the customer's otherwise applicable standard service classification will determine the applicable TSAS.

### **Newspaper Publication**

In accordance with Ordering Paragraph 3, the requirement of § 66(12)(b) of the Public Service Law regarding newspaper publication is waived.

### **Company Contacts**

Please direct any questions pertaining to this filing to Lori A. Cole at (607) 762-8710 or me at (585) 771-4692.

Very truly yours,

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

Enclosures

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<sup>2</sup> For service classifications that do not have per kWh charges, the TSAS will be applied per kW.