

July 1, 2009

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-E-0228 - Proceeding on Rochester Gas & Electric Corporation's  
Petition Regarding its Commodity Programs

Dear Secretary Brillling:

The enclosed tariff leaves, issued by Rochester Gas & Electric Corporation ("RG&E" or "the Company"), are transmitted for filing in compliance with the requirements of the New York State Public Service Commission ("PSC" or "Commission") and Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H). The leaves are proposed to become effective on January 1, 2010. A listing of the proposed revised tariff leaves is enclosed as Attachment A.

Purpose of the Filing

The purpose of this filing is to eliminate the Fixed Price Option ("FPO") and the ESCO Option with Supply Adjustment ("EOSA"), and to reflect the necessary changes associated with the elimination of the FPO offerings including revisions to the calculation of the commodity charge for the RG&E Supply Service and revisions to the transition charge, which is applicable to customers whether they choose the RG&E Supply Service or ESCO Supply Service. The changes being made are consistent with the Company's Petition filed on March 2, 2009 and the presentation given by Company Staff at the Technical Conference on April 29, 2009 regarding its Voice Your Choice Program and commodity offerings.

Overview of the Filing

With the discontinuation of the FPO and EOSA, the Voice Your Choice program will be discontinued on January 1, 2010. The Company will not conduct a Voice Your choice enrollment campaign this Fall. As described in the Company's Outreach and Education Plan, included as Attachment B of this filing, RG&E will conduct outreach and education activities that will focus on the market-based supply service and continue messages regarding competitive supplier choice. The Voice Your Choice enrollment period had provided customers with a specific annual time period to choose between a fixed price or variable price option from the Company or service from an ESCO. With the elimination of the FPO and EOSA, the Company will offer only one commodity service and customers will continue to be able to switch between the ESCO Supply Service and the Company's Supply Service at any time, subject to notification periods described in the Uniform Business Practices. Section 12, Supply Service Options, contained within the General Information section of

RG&E's tariff, PSC No. 19, has been revised to reflect the changes in supply service offerings available to customers. Customers initiating service who have not provided their choice for supply service will be billed in accordance with provision for the RG&E Supply Service.

A customer taking service from RG&E will be billed fixed delivery charges, a transition charge, and a market-based supply charge. The tariffs also reflect the implementation of an adjustment to the supply charge for any hedge positions entered into on behalf of customers taking service under non-demand billed rates (Service Classification Nos. 1, 2, 4, 6, and Street Lighting). Furthermore, the supply charge will include ancillary charges and NYPA Transmission Access Charges ("NTAC"). These charges are currently collected through the Transition Charge. ESCOs will become responsible for collecting these charges from their customers; and the Company's practice of reimbursing ESCOs for ancillary and NTAC costs will stop. The tariffs provide for reconciliation of any costs incurred related to supply on a monthly basis.

The Transition Charge will be the same for customers whether they choose RG&E or ESCO Supply Service and will be reconciled and updated monthly. The Company has also removed the Transition Charge per kilowatt; RG&E will collect the full amount of the Transition Charge volumetrically on a per kilowatt-hour basis only.

#### Newspaper Publication

The Company requests that the requirement of Section 66(12)(b) of the Public Service Law and 16 NYCRR Section 720-8.1 as to newspaper publication be waived as RG&E will be conducting outreach and education activities pursuant to its Outreach and Education Plan.

#### Company Contacts

If there any questions concerning this filing, please call Tamara Prodrick at (585) 771-4204 or Carl King at (607) 347-2959.

Very truly yours,

Mark O. Marini  
Manager – Regulatory & Tariffs  
Rates & Regulatory Economics

Enclosures

**Rochester Gas & Electric Corporation**  
**List of Proposed Tariff Leaves**

PSC No. 18 – Electricity, Schedule for Electric Service

Leaf No. 24.1, Revision 4  
Leaf No. 26, Revision 8  
Leaf No. 26.1, Revision 6  
Leaf No. 26.1.1, Revision 2  
Leaf No. 26.2, Revision 4  
Leaf No. 26.2.1, Revision 1  
Leaf No. 26.3, Revision 4  
Leaf No. 37, Revision 9  
Leaf No. 37.1, Revision 5  
Leaf No. 37.1.1, Revision 3  
Leaf No. 37.2, Revision 3  
Leaf No. 37.2.1, Revision 2  
Leaf No. 37.3, Revision 4  
Leaf No. 37.4, Revision 1  
Leaf No. 45, Revision 11  
Leaf No. 45.1, Revision 6  
Leaf No. 45.1.1, Revision 3  
Leaf No. 45.2, Revision 3  
Leaf No. 45.2.1, Revision 2  
Leaf No. 45.3, Revision 5

PSC No. 19 – Electricity, Schedule for Electric Service

Leaf No. 2, Revision 8  
Leaf No. 9, Revision 3  
Leaf No. 53, Revision 3  
Leaf No. 81.1, Revision 6  
Leaf No. 81.2, Revision 2  
Leaf No. 81.5.1, Revision 1  
Leaf No. 85.1, Revision 2  
Leaf No. 85.1.1, Revision 1  
Leaf No. 85.2, Revision 2  
Leaf No. 106, Revision 2  
Leaf No. 108, Revision 2  
Leaf No. 160.1, Revision 2  
Leaf No. 160.8, Revision 3  
Leaf No. 160.8.1, Revision 1  
Leaf No. 160.9, Revision 2

Leaf No. 160.17, Revision 3  
Leaf No. 160.18, Revision 3  
Leaf No. 160.26, Revision 4  
Leaf No. 160.26.1, Revision 1  
Leaf No. 160.27, Revision 4  
Leaf No. 160.27.1, Revision 3  
Leaf No. 160.28, Revision 3  
Leaf No. 160.28.1, Revision 4  
Leaf No. 160.29, Revision 4  
Leaf No. 160.30, Revision 2  
Leaf No. 160.31, Revision 3  
Leaf No. 160.31.1, Revision 1  
Leaf No. 160.31.2, Revision 2  
Leaf No. 160.32, Revision 3  
Leaf No. 160.33, Revision 3  
Leaf No. 161, Revision 7  
Leaf No. 161.1, Revision 8  
Leaf No. 161.1.1, Revision 3  
Leaf No. 161.2, Revision 8  
Leaf No. 161.2.1, Revision 2  
Leaf No. 161.3, Revision 8  
Leaf No. 162, Revision 6  
Leaf No. 163, Revision 5  
Leaf No. 164, Revision 11  
Leaf No. 164.1, Revision 9  
Leaf No. 164.1.1, Revision 3  
Leaf No. 164.2, Revision 6  
Leaf No. 164.2.1, Revision 1  
Leaf No. 164.3, Revision 7  
Leaf No. 164.4, Revision 3  
Leaf No. 166, Revision 11  
Leaf No. 166.1, Revision 9  
Leaf No. 166.1.1, Revision 3  
Leaf No. 166.2, Revision 6  
Leaf No. 166.2.1, Revision 1  
Leaf No. 166.3, Revision 8  
Leaf No. 168, Revision 3  
Leaf No. 169, Revision 7  
Leaf No. 169.1, Revision 5  
Leaf No. 169.1.1, Revision 3  
Leaf No. 169.2, Revision 5  
Leaf No. 174, Revision 12  
Leaf No. 174.1, Revision 4  
Leaf No. 174.1.1, Revision 3

Leaf No. 174.2, Revision 7  
Leaf No. 174.2.1, Revision 2  
Leaf No. 174.3, Revision 7  
Leaf No. 175, Revision 3  
Leaf No. 176, Revision 6  
Leaf No. 187, Revision 7  
Leaf No. 187.1, Revision 7  
Leaf No. 187.1.1, Revision 2  
Leaf No. 187.2, Revision 4  
Leaf No. 187.2.1, Revision 1  
Leaf No. 187.3, Revision 3  
Leaf No. 190, Revision 11  
Leaf No. 190.1, Revision 9  
Leaf No. 190.1.1, Revision 3  
Leaf No. 190.2, Revision 6  
Leaf No. 190.2.1, Revision 1  
Leaf No. 190.3, Revision 7  
Leaf No. 191, Revision 5  
Leaf No. 193, Revision 9  
Leaf No. 193.1, Revision 7  
Leaf No. 193.1.1, Revision 3  
Leaf No. 193.2, Revision 6  
Leaf No. 194, Revision 8  
Leaf No. 194.1, Revision 5  
Leaf No. 194.1.1, Revision 3  
Leaf No. 194.2, Revision 4  
Leaf No. 194.2.1, Revision 2  
Leaf No. 194.3, Revision 5  
Leaf No. 195, Revision 7  
Leaf No. 195.1, Revision 4  
Leaf No. 197, Revision 3  
Leaf No. 199, Revision 6  
Leaf No. 199.1, Revision 3  
Leaf No. 200, Revision 7  
Leaf No. 200.1, Revision 3  
Leaf No. 204.3, Revision 1  
Leaf No. 204.4, Revision 5  
Leaf No. 204.5, Revision 2  
Leaf No. 204.6, Revision 1  
Leaf No. 204.7, Revision 1  
Leaf No. 210, Revision 10  
Leaf No. 210.1, Revision 4  
Leaf No. 210.1.1, Revision 3  
Leaf No. 210.2, Revision 7

Leaf No. 210.3, Revision 7  
Leaf No. 210.3.1, Revision 2  
Leaf No. 210.4, Revision 3  
Leaf No. 212, Revision 6  
Leaf No. 213, Revision 8  
Leaf No. 213.1, Revision 4  
Leaf No. 214, Revision 8  
Leaf No. 214.1, Revision 5  
Leaf No. 233, Revision 3  
Leaf No. 234, Revision 6  
Leaf No. 234.1, Revision 2  
Leaf No. 234.1.1, Revision 3  
Leaf No. 234.2, Revision 3  
Leaf No. 234.2.1, Revision 1  
Leaf No. 234.3, Revision 1  
Leaf No. 246.1, Revision 5  
Leaf No. 246.2 Revision 5  
Leaf No. 246.3, Revision 2  
Leaf No. 246.4, Revision 1  
Leaf No. 246.5, Revision 1

## **NYSEG and RG&E 2009 Commodity Service Proposed Outreach & Education Plan**

### **Message**

Effective January 1, 2010, NYSEG and RG&E will no longer offer fixed price electricity supply options. The companies will continue to offer customers a variable price for electricity supply and the option to purchase supply from a supplier other than NYSEG/RG&E (also known as an energy services company or ESCO). As of January 1, any customer receiving a fixed supply price from NYSEG/RG&E will be automatically billed at their respective company's variable supply rate. Any customer receiving their electricity supply from an ESCO will continue to receive their supply from their ESCO. NYSEG/RG&E customers can select an ESCO for their electricity supply at any time.

This pricing change eliminates the need for a supply choice enrollment period (previously known as *Voice Your Choice*), which has usually occurred in November and December each year. (The *Voice Your Choice* enrollment period had provided customers with the opportunity to choose a fixed or variable supply price from their utility or obtain electric supply service from an ESCO.)

### **Proposed communications methods**

**Bill messages** (November, December, January).

Display for all electricity customers for three months. The message in January will be for NYSEG/RG&E supply customers only and explain the companies' market-based variable supply rate and the availability of the ESCO supply option.

**Web sites** (November, December, January)

NYSEG and RG&E Web sites will feature information regarding the elimination of an enrollment period and the discontinuance of the companies' fixed price supply options.

**EnergyLines** (November, December)

Information on the elimination of the enrollment period, the discontinuance of the companies' fixed price electricity supply options and the option to select ESCO supply service will be included in company bill inserts.

At RG&E, *EnergyLines* information will be translated and reprinted in Spanish to be used upon request. NYSEG does not have a sufficient Spanish-speaking population to necessitate translation.

**Bill envelope** (November and December)

Outgoing bill envelope

**News release** (November)

NYSEG and RG&E will issue a news release announcing the discontinuance of the fixed price electricity supply options and elimination of the enrollment period.

### **Employee training**

Employees will receive training and communications regarding the end of the *Voice Your Choice* program and the available supply offers.

### **ESCO orientation**

In the fall, NYSEG/RG&E will hold an orientation with ESCOs to provide them with information regarding the end of the *Voice Your Choice* program, customer communications and the companies' variable supply offers.