

GENERAL INFORMATION
4. METERING AND BILLING (Cont'd)

K. SURCHARGES (Cont'd)

System Benefits Charge (SBC):

Each customer bill for service under the applicable Service Classifications will be increased by multiplying all kilowatthours delivered by the applicable System Benefits Charge rate shown in the System Benefits Charge Statement as mandated by Public Service Commission Order issued January 26, 2001.

Renewable Portfolio Standard Charge (RPS):

Each customer bill for service under the applicable Service Classifications will be increased by multiplying all kilowatthours delivered by the RPS, as mandated by Public Service Commission order issued and effective September 24, 2004, in Case 03-E-0188 – Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard. The RPS charge is contained in the Renewable Portfolio Standard Charge Statement to this Tariff, and is subject to annual reconciliation and will be amended each October 1st, through the term of the program.

Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs:

Effective January 1, 2008, and each January 1st thereafter, customer bills for service under Service Classification Nos. 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, and 14 will be adjusted by a surcharge to the monthly Customer Charge for the cost of the AMI program, net of savings resulting from the program. An AMI Surcharge Statement setting forth the monthly AMI surcharge amounts by Service Classification will be filed annually with the Public Service Commission on not less than three (3) days' notice from the January 1 effective date of the revised charge.

The AMI Surcharge rates will be determined annually in accordance with the formula set forth below and will be based on projected costs and savings for the year that the rates will be in effect. The Surcharge rates will be adjusted, up or down, for any difference between the actual amount of surcharge revenue received and the actual costs including return, net of savings resulting from the program, for the 12 months ended September 30 of the prior year. The surcharge rates effective 1/1/08 will include actual costs incurred through September 30, 2007.

AMI Surcharge = (Revenue Requirement + Reconciliation) / Meters

Revenue Requirement = Annual revenue requirement needed to recover AMI costs for each service classification, net of identifiable savings realized as a result of the AMI investment. (Expenses + Return - Savings)

Expenses	=	O&M Expenses, Book Depreciation and Operating Taxes
Return	=	Rate Base x Before Tax Cost of Capital
Rate Base	=	AMI Capital Investments, net of Accumulated Book Depreciation, plus associated Materials & Supplies, Prepayments, Cash Working Capital and Accumulated Deferred Income Taxes.
Before Tax Cost of Capital	=	Weighted average after-tax cost of capital as determined in the Company's most recent rate case/settlement, with the equity component grossed-up for the level of federal and state income taxes applicable to the period for which the AMI surcharge will be effective.
Savings	=	Identifiable capital and operating cost savings realized as a result of the AMI investment. The return on the capital cost savings will be calculated using the same cost of capital listed above.
Reconciliation	=	Difference between the actual amount of AMI surcharge revenue received and the actual costs including return, net of savings resulting from the program, for the 12 months ended September 30 of the prior year.
Meters	=	Number of meters per service classification.

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.1 **INCREMENTAL LOAD PROGRAMS (Cont'd)**

A. INCREMENTAL LOAD RATE (Cont'd)

PURPOSE:

This service is designed to encourage businesses customers to locate or expand their facilities in the Company's service territory.

ELIGIBILITY CRITERIA:

- 1) The ILR Program is available to Prospective or Existing non-residential and non-public authority customers with SIC codes 01-14 (Agriculture, Forestry, Fishing, and Mining), 20-39 (Manufacturing), 50 (Wholesale trade – durable goods), 51 (Wholesale trade – non-durable goods), 60-67 (Finance, Insurance, and Real Estate) or 73 (Business Services) that add load by constructing a new facility, expanding an existing facility, or redeveloping an existing facility that has been vacant for at least six months.
- 2) A Prospective Customer is defined as an applicant
 - i. Whose activities are largely or entirely different in nature from those of the previous customer; or
 - ii. Whose activities are the same as those of a previous customer but who is a different owner of the business, or
 - iii. That will conduct business at a premise where business has not been conducted for at least six months prior to the application for ILR benefits; or
 - iv. That has obtained a business in a bankruptcy liquidation sale from the previous customer
 - v. Who qualifies for service under and in accordance with the provisions of Service Classification Nos. 3, 7, 8 and 9.
- 3) Prospective Customer - Any applicant that, (i) satisfies the definition of a Prospective Customer above; and (ii) satisfies the usage thresholds for additional qualifying equipment set forth below, will be deemed an eligible Prospective Customer and receive the ILR incentive, as appropriate, on the entire billed usage in the qualified blocks.
Existing Customer - Any current customer that (i) satisfies the usage thresholds for additional qualifying equipment set forth below and (ii) does not satisfy the definition of a Prospective Customer above, will be deemed an eligible Existing Customer, entitled to receive an ILR incentive on increased usage in the qualified blocks above a historic monthly base load of usage established before the addition of qualifying equipment
- 4) The eligible Prospective Customer or Existing Customer must add new or additional load of at least 25 kilowatts by constructing a new facility, expanding an existing facility, or redeveloping an existing facility that has been vacant for at least six months.

TERM:

The ILR incentive will be applied for a period of four years, without extension.

Effective January 1, 2009, the ILR program will terminate. Such termination will not affect customers who initiate ILR service by December 31, 2008, these customers will continue ILR service until the completion of their four year term..

CHARACTER OF SERVICE

Continuous, Alternating Current - 60 cycle, voltage and phase at the Company's option, as available and appropriate for the customer's requirement.

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

L.1 INCREMENTAL LOAD PROGRAMS (Cont'd)

A. INCREMENTAL LOAD RATE (Cont'd)

ELECTRIC SUPPLY PRICING OPTIONS

ILR customers may select one of the following electricity supply pricing options: (1)) ESCO Price Option (EPO), (2) RG&E Variable Price Option (VPO), or (3) RG&E Fixed Price Option (FPO).

ESCO Price Option (EPO)

This Retail Access choice includes a fixed component for RG&E delivery service, a fluctuating Transition Charge for Economic Development ("TC ED", as described below), and a Retail Access Credit of \$0.004 per kWh. Electricity supply is provided by an ESCO.

RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes a fixed component for RG&E delivery service, a fluctuating Transition Charge for Economic Development (TC ED, as described below) and a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy. Electricity supply is provided by RG&E.

RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes a fixed component for RG&E delivery service, a fixed Transition Charge for Economic Development (TC ED, as described below), and a fixed commodity charge for electricity supply provided by RG&E. The fixed commodity charge will be reset on January 1 of each Commodity Rate Period and may be adjusted on April 1 of each Commodity Rate Period, pursuant to RG&E's Electric Rate Joint Proposal; however, the adjusted rate will be applicable only to a customer starting service at a new location after April 1 of any Commodity Rate Period and receiving such service under RG&E's FPO.

SERVICE CLASSIFICATION NO. 1

RESIDENTIAL SERVICE (Cont'd)

1. ESCO Price Option (EPO) (Cont'd)

RATE: (Per Meter, Per Month)

Delivery Charges:

<u>Customer Charge:</u>	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
<u>Energy Delivery Charge:</u>	
All kilowatthours, per kWh	\$0.02270
<u>System Benefits Charge:</u>	
All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u>	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u>	
All kilowatthours, per kWh	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$ 0.62

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets and allocated uncollectible costs associated with electric supply.

The remaining components of the TC will be flowed through the TC as actually incurred on a monthly basis, subject to true-up in subsequent months:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and NTAC costs will vary and be reconciled on a monthly basis,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on the actual output and contract costs, and the actual NYISO locational market prices. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Variable (TCV) Statement setting forth the monthly Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than one (1) day's notice prior to the effective date. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

SERVICE CLASSIFICATION NO. 1

RESIDENTIAL SERVICE (Cont'd)

2. ESCO Option with Supply Adjustment (EOSA)

This Retail Access choice consists of the charges described under Electricity Supply Pricing Option No. 3, RG&E Fixed Price Option (FPO), a Supply Adjustment in the form of a Market Based Backout Credit ("MBBC"), and a Retail Access Credit ("RAC"). The MBBC, as described in Rule 11.C.10 of this Schedule, fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. Electricity supply is provided by an ESCO.

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
<u>Energy Delivery Charge:</u> All kilowatthours, per kWh	\$0.02270
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$0.62

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

SERVICE CLASSIFICATION NO. 1

RESIDENTIAL SERVICE (Cont'd)

Transition Charge (continued):

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

Electricity Supply Charge:

Pursuant to RG&E's Electric Rate Joint Proposal, as defined at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as defined at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

A FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below) a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
<u>Energy Delivery Charge:</u>	
All kilowatthours, per kWh	\$0.02270
<u>System Benefits Charge:</u>	
All kilowatthours, per kWh	Per SBC Statement

SERVICE CLASSIFICATION NO. 2

GENERAL SERVICE - SMALL-USE

APPLICABLE TO USE OF SERVICE FOR:

All purposes, in Entire Territory, by any customer whose demands are or are estimated to be 12 kilowatts, or less, and whose consumption does not exceed 3,000 kilowatthours in each of four consecutive monthly billing periods.

CHARACTER OF SERVICE:

Continuous, Alternating Current 60 cycle; voltage and phase at the Company's option, as available and appropriate for the customer's requirements.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification must select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge ("TC", or Non-Bypassable Charge ["NBC"] described below), a Retail Access Credit of \$0.004 per kWh, and a Bill Issuance Charge. Electricity supply is provided by an ESCO.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Energy Delivery Charge (All kilowatt-hours, per kilowatt-hour)	\$0.01452
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$0.62

SERVICE CLASSIFICATION NO. 2

GENERAL SERVICE - SMALL-USE (Cont'd)

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets and allocated uncollectible costs associated with electric supply.

The remaining components of the TC will be flowed through the TC as actually incurred on a monthly basis, subject to true-up in subsequent months:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and NTAC costs will vary and be reconciled on a monthly basis,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on the actual output and contract costs, and the actual NYISO locational market prices. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Variable (TCV) Statement setting forth the monthly Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than one (1) day's notice prior to the effective date. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

2. ESCO Option with Supply Adjustment (EOSA)

This Retail Access choice consists of the charges described under Electricity Supply Pricing Option No. 3, RG&E Fixed Price Option (FPO), a Supply Adjustment in the form of a Market Based Backout Credit ("MBBC"), and a Retail Access Credit ("RAC"). The MBBC, as described in Rule 11.C.10 of this Schedule, fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. Electricity supply is provided by an ESCO.

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Energy Delivery Charge (All kilowatt-hours, per kWh)	\$0.01452

SERVICE CLASSIFICATION NO. 2

GENERAL SERVICE - SMALL-USE (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

Retail Access Surcharge:

All kilowatthours, per kWh: Per RAS Statement, as described in Rule 4

Bill Issuance Charge:

\$0.62

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

Electricity Supply Charge

Pursuant to RG&E's Electric Rate Joint Proposal, as defined at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as defined at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

SERVICE CLASSIFICATION NO. 2

GENERAL SERVICE - SMALL-USE (Cont'd)

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below) a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$19.38
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Energy Delivery Charge (All kilowatt-hours, per kilowatt-hour)	\$0.01452
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$0.62

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the VPO, will be required to pay a Transition Charge, as described under Electricity Supply Pricing Option No. 1, EPO.

Electricity Supply Charge

The charge for electricity supply service under the VPO will fluctuate with the market price of electricity and will include the following components: energy, capacity, capacity reserves, line losses and unaccounted for energy. Customers will be charged for energy based on their class deemed load shape using day-ahead prices. They will be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility. Customers will be charged for losses, company use and unaccounted for energy by multiplying the energy and capacity costs by a loss factor for their voltage level.

In the event that RG&E determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, RG&E will credit or recover the full amount of the estimated gain or loss through the TC from VPO customers.

SERVICE CLASSIFICATION NO. 2 (Cont'd)

GENERAL SERVICE - SMALL USE

SPECIAL PROVISIONS:

1. Change of Service Classification

The Company will install a demand measuring device and provide service under Service Classification No. 7 - General Service - 12 kilowatts Minimum:

- a. Whenever it is determined that the customer is using, or might use, more than 12 kilowatts of billing demand, or
- b. Whenever the customer's consumption during the preceding 12 months has exceeded 3,000 kilowatthours in each of four consecutive monthly billing periods, or 6,000 kilowatthours in two bi-monthly billing periods.

2. Economic Development Zone Rider

New service under this rider will no longer be available to customers whose zone certificate includes an initial date of eligibility after January 1, 2005.

Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.L.2 shall pay for service at the following rate:

RATE: (per month)

	<u>Rate</u>
Customer Charge:	\$19.00
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Energy Charge:	
All kilowatthours, per kilowatthour:	.05071
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

3. Incremental Manufacturing Load Rider

New service under this rider will no longer be available after June 30, 2002.

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.3 of this tariff shall pay for service for its eligible load at the following rate:

All kilowatthours, per kilowatthour:	\$0.045
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

SERVICE CLASSIFICATION NO. 3

GENERAL SERVICE - 100 KILOWATTS MINIMUM

APPLICABLE TO USE OF SERVICE FOR:

All purposes, in Entire Territory, by any customer with a measured demand of not less than 100 kilowatts during any three of the previous 12 months.

CHARACTER OF SERVICE:

Continuous, Alternating Current - 60 cycle; voltage and phase at the Company's option, as available and appropriate for the customer's requirements.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification must select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge ("TC", or Non-Bypassable Charge ["NBC"] described below), a Retail Access Credit of \$0.004 per kWh, a Bill Issuance Charge and Meter Charges. Electricity supply is provided by an ESCO.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$10.59
Transition Charge: per kW	\$4.05
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

SERVICE CLASSIFICATION NO. 3

GENERAL SERVICE - 100 KILOWATTS MINIMUM (Cont'd)

1. ESCO Price Option (EPO)

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets and allocated uncollectible costs associated with electric supply.

The remaining components of the TC will be flowed through the TC as actually incurred on a monthly basis, subject to true-up in subsequent months:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and NTAC costs will vary and be reconciled on a monthly basis,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on the actual output and contract costs, and the actual NYISO locational market prices. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Variable (TCV) Statement setting forth the monthly Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than one (1) day's notice prior to the effective date. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

2. ESCO Option with Supply Adjustment (EOSA)

This Retail Access choice consists of the charges described under Electricity Supply Pricing Option No. 3, RG&E Fixed Price Option (FPO), a Supply Adjustment in the form of a Market Based Backout Credit ("MBBC"), and a Retail Access Credit ("RAC"). The MBBC, as described in Rule 11.C.10 of this Schedule, fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. Electricity supply is provided by an ESCO.

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply, a Bill Issuance charge and Meter charges. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$10.59
Transition Charge: per kW	\$4.05
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement

SERVICE CLASSIFICATION NO. 3

GENERAL SERVICE - 100 KILOWATTS MINIMUM (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

Retail Access Surcharge:

All kilowatthours, per kWh: Per RAS Statement, as described in Rule 4

Bill Issuance Charge:

\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

Electricity Supply Charge

Pursuant to RG&E's Electric Rate Joint Proposal, as defined at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as defined at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

**SERVICE CLASSIFICATION NO. 3
GENERAL SERVICE - 100 KILOWATTS MINIMUM (Cont'd)**

3. RG&E Fixed Price Option (FPO) (Cont'd)

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below), a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, a Bill Issuance charge and Meter charges. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$10.59
Transition Charge: per kW	\$4.05
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4
<u>Bill Issuance Charge:</u>	\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the VPO, will be required to pay a Transition Charge, as described under Electricity Supply Pricing Option No. 1, EPO.

Electricity Supply Charge

The charge for electricity supply service under the VPO will fluctuate with the market price of electricity and will include the following components: energy, capacity, capacity reserves, line losses and unaccounted for energy. Customers will be charged for energy based on their class deemed load shape using day-ahead prices. They will be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility. Customers will be charged for losses, company use and unaccounted for energy by multiplying the energy and capacity costs by a loss factor for their voltage level.

In the event that RG&E determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, RG&E will credit or recover the full amount of the estimated gain or loss through the TC from VPO customers.

SERVICE CLASSIFICATION NO. 3 (Cont'd)

GENERAL SERVICE - 100 KILOWATTS MINIMUM

SPECIAL PROVISIONS: (Cont'd)

4. Economic Development Programs

A) Economic Development Zone Rider (EDZ)

New service under this rider will no longer be available to customers whose zone certificate includes an initial date of eligibility after January 1, 2005.

Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.L.2 shall pay for service at the following rate:

RATE: (per month)

	<u>Rate</u>
Customer Charge:	\$80.00
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$5.15
Energy Charge:	
All kilowatthours, per kilowatthour	.04112
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

EDZ customers with less than 100% of their load served under EDZ rates will be offered two electric supply pricing options for the non-EDZ portion and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B) Empire Zone Rate (EZR)

Service taken under this Service Classification may be eligible for the rates and charges under the Empire Zone Rate. Any customer who meets the qualifications set forth under General Information Section 4.L.4 shall pay for service at the following rate:

	<u>Rate</u>
RATE: (per month)	
Customer Charge:	\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge:	
All kilowatts, per kilowatt of billing demand	\$4.35
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62

SERVICE CLASSIFICATION NO. 3 (Cont'd)

GENERAL SERVICE - 100 KILOWATTS MINIMUM

4. Economic Development Programs (Cont'd)

B) Empire Zone Rate (EZR)

Metering Charges:

Meter Ownership Charge:

Metering Voltage

Secondary	\$2.75
Secondary (Polyphase)	\$2.75
Primary (Polyphase)	\$2.75

Meter Service Charge:

Metering Voltage

Secondary	\$2.32
Secondary (Polyphase)	\$2.32
Primary (Polyphase)	\$2.32

Meter Data Service Charge (meter reading):

Metering Voltage

Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13

Retail Access Credit (applicable to customers with EPO supply pricing option)

All kilowatthours, per kWh	\$0.004
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EZR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

5. Incremental Load Programs

A. Incremental Manufacturing Load Rider (IMLR)

New service under this rider will no longer be available after June 30, 2002. Customers will be phased-out of this program to the ILR program in accordance with Rule 4.L.3.

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.3 of this tariff, shall pay for service for its eligible load at the following rate:

All kilowatthours, per kWh: \$0.045

Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs Per AMI Surcharge Statement, as described in Rule 4

Systems Benefit Charge:
All kilowatthours, per kWh Per SBC Statement

Renewable Portfolio Standard Charge:
All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

SERVICE CLASSIFICATION NO. 3 (Cont'd)

GENERAL SERVICE - 100 KILOWATTS MINIMUM

5. Incremental Load Programs

A. Incremental Manufacturing Load Rider (IMLR)

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B. Incremental Load Rate (ILR)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.A of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kW of billing demand	\$7.47
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62
Metering Charges:	
Meter Ownership Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.75
Secondary (Polyphase)	\$2.75
Primary (Polyphase)	\$2.75
Meter Service Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.32
Secondary (Polyphase)	\$2.32
Primary (Polyphase)	\$2.32
Meter Data Service Charge (meter reading):	
<u>Metering Voltage</u>	
Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13
Retail Access Credit (applicable to customers with EPO supply pricing option)	
All kilowatthours, per kWh	\$0.004

SERVICE CLASSIFICATION NO. 3 (Cont'd)

GENERAL SERVICE - 100 KILOWATTS MINIMUM

5. Incremental Load Programs (Cont'd)

B. Incremental Load Rate (ILR) (Cont'd)

ILR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

C. Incremental Load Rate- Retail Trade Pilot (ILR Pilot)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.B of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)		<u>Rate</u>
Customer Charge:		\$154.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4	
Demand Charge: All kilowatts, per kilowatt of billing demand		\$7.47
Systems Benefit Charge:		
All kilowatthours, per kWh		Per SBC Statement
Renewable Portfolio Standard Charge:		
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4	
Retail Access Surcharge:		
All kilowatthours, per kWh		Per RAS Statement
Transition Charge for Economic Development Programs:		
All kilowatthours, per kWh		Per TC ED Statement
Bill Issuance Charge		\$0.62
Metering Charges:		
Meter Ownership Charge:		
<u>Metering Voltage</u>		
Secondary	\$2.75	
Secondary (Polyphase)	\$2.75	
Primary (Polyphase)	\$2.75	
Meter Service Charge:		
<u>Metering Voltage</u>		
Secondary	\$2.32	
Secondary (Polyphase)	\$2.32	
Primary (Polyphase)	\$2.32	

SERVICE CLASSIFICATION NO. 4

RESIDENTIAL SERVICE - TIME-OF-USE RATE

APPLICABLE TO USE OF SERVICE FOR:

All purposes, in Entire Territory, by any customer who would otherwise be served under Service Classification No. 1 of this schedule. The use of this service is voluntary for all customers.

CHARACTER OF SERVICE:

Continuous, Alternating Current - 60 cycle; 120/240, 120/208 volts, single phase. Three phase service will not be rendered under this Service Classification, except as noted under Service Classification No. 1.

DETERMINATION OF RATE SCHEDULE:

Customers with annual consumption up to and including 24,750 kWh will be served under Rate Schedule I. Customers with annual consumption exceeding 24,750 kWh will be served under Rate Schedule II.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification must select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge ("TC", or Non-Bypassable Charge ["NBC"] described below), a Retail Access Credit of \$0.004 per kWh, and a Bill Issuance Charge. Electricity supply is provided by an ESCO.

RATE: (Per Meter, Per Month)

<u>Delivery Charges:</u>	<u>Schedule I</u>	<u>Schedule II</u>
Customer Charge:	\$19.38	\$22.86
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4	
Meter Charge	\$3.98	\$3.98
Energy Delivery Charge		
(Peak hours, per kilowatt-hour)	\$0.02783	\$0.04249
(Off-Peak hours, per kilowatt-hour)	\$0.02252	\$0.02723
<u>System Benefits Charge:</u>		
All kilowatthours, per kWh	Per SBC Statement	
<u>Renewable Portfolio Standard Charge:</u>		
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4	
<u>Retail Access Surcharge:</u>		
All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4	
<u>Bill Issuance Charge:</u>	\$0.62	

SERVICE CLASSIFICATION NO. 4

RESIDENTIAL SERVICE - TIME-OF-USE RATE (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

RATE: (Per Meter, Per Month)

<u>Delivery Charges:</u>	<u>Schedule I</u>	<u>Schedule II</u>
Customer Charge:	\$19.38	\$22.86
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4	
Meter Charge	\$3.98	\$3.98
Energy Delivery Charge		
(Peak hours, per kilowatt-hour)	\$0.02783	\$0.04249
(Off-Peak hours, per kilowatt-hour)	\$0.02252	\$0.02723
<u>System Benefits Charge:</u>		
All kilowatthours, per kWh	Per SBC Statement	
<u>Renewable Portfolio Standard Charge:</u>		
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4	
<u>Retail Access Surcharge:</u>		
All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4	
<u>Bill Issuance Charge:</u>	\$0..62	

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

SERVICE CLASSIFICATION NO. 4

RESIDENTIAL SERVICE - TIME-OF-USE RATE (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

Electricity Supply Charge

Pursuant to RG&E's Electric Rate Joint Proposal, as defined at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as defined at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below) and a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

<u>Delivery Charges:</u>	<u>Schedule I</u>	<u>Schedule II</u>
Customer Charge:	\$19.38	\$22.86
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4	
Meter Charge	\$3.98	\$3.98
Energy Delivery Charge		
(Peak hours, per kilowatt-hour)	\$0.02783	\$0.04249
(Off-Peak hours, per kilowatt-hour)	\$0.02252	\$0.02723
Minimum Charge:	\$23.98	\$27.46
 <u>System Benefits Charge:</u>		
All kilowatthours, per kWh	Per SBC Statement	
 <u>Renewable Portfolio Standard Charge:</u>		
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4	
 <u>Retail Access Surcharge:</u>		
All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4	
 <u>Bill Issuance Charge:</u>	 \$0.62	

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the VPO, will be required to pay a Transition Charge, as described under Electricity Supply Pricing Option No. 1, EPO.

SERVICE CLASSIFICATION NO. 7

GENERAL SERVICE - 12 KW MINIMUM

APPLICABLE TO USE OF SERVICE FOR:

All purposes, in Entire Territory, by any customer with a billing demand of not less than 12 kilowatts or whose consumption exceeds 3,000 kilowatthours in each of four consecutive monthly billing periods.

CHARACTER OF SERVICE:

Continuous, Alternating Current - 60 cycle; voltage and phase at the Company's option, as available and appropriate for the customer's requirements.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification must select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge ("TC", or Non-Bypassable Charge ["NBC"] described below), a Retail Access Credit of \$0.004 per kWh, a Bill Issuance charge, and Meter charges. Electricity supply is provided by an ESCO.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$13.38
Energy Delivery Charge (First 200 hours use, per kilowatt-hour)	\$0.00102
(Over 200 hours use, per kilowatt-hour)	\$0.00074
Transition Charge: per kW	\$0.00

System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

SERVICE CLASSIFICATION NO. 7

GENERAL SERVICE - 12 KW MINIMUM (Cont'd)

1. ESCO Price Option (EPO) (Cont'd)

Retail Access Surcharge:

All kilowatthours, per kWh: Per RAS Statement, as described in Rule 4

Bill Issuance Charge:

\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets and allocated uncollectible costs associated with electric supply.

The remaining components of the TC will be flowed through the TC as actually incurred on a monthly basis, subject to true-up in subsequent months:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and NTAC costs will vary and be reconciled on a monthly basis,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on the actual output and contract costs, and the actual NYISO locational market prices. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Variable (TCV) Statement setting forth the monthly Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than one (1) day's notice prior to the effective date. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

2. ESCO Option with Supply Adjustment (EOSA)

This Retail Access choice consists of the charges described under Electricity Supply Pricing Option No. 3, RG&E Fixed Price Option (FPO), a Supply Adjustment in the form of a Market Based Backout Credit ("MBBC"), and a Retail Access Credit ("RAC"). The MBBC, as described in Rule 11.C.10 of this Schedule, fluctuates with the market price of electricity and consists of energy, unforced capacity, unforced capacity reserves, losses and unaccounted for energy. The RAC is a fixed credit of \$0.005 per kWh. Electricity supply is provided by an ESCO.

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply, a Bill Issuance charge and Meter charges. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$13.38
Energy Delivery Charge (First 200 hours use, per kilowatt-hour)	\$0.00102
(Over 200 hours use, per kilowatt-hour)	\$0.00074
Transition Charge: per kW	\$0.00

SERVICE CLASSIFICATION NO. 7

GENERAL SERVICE - 12 KW MINIMUM (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

Retail Access Surcharge:

All kilowatthours, per kWh Per RAS Statement, as described in Rule 4

Bill Issuance Charge:

\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- (a) Variable costs of RG&E-owned generation,
- (b) Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- (c) The value of the output of the RG&E-owned generation,
- (d) Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,
- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

Electricity Supply Charge

Pursuant to RG&E's Electric Rate Joint Proposal, as described at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as described at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

SERVICE CLASSIFICATION NO. 7

GENERAL SERVICE - 12 KW MINIMUM (Cont'd)

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below), a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, a Bill Issuance charge, and Meter charges. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$13.38
Energy Delivery Charge (First 200 hours use, per kilowatt-hour)	\$0.00102
(Over 200 hours use, per kilowatt-hour)	\$0.00074
Transition Charge: per kW	\$0.00
<u>System Benefits Charge:</u> All kilowatthours, per kWh	Per SBC Statement
<u>Renewable Portfolio Standard Charge:</u> All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
<u>Retail Access Surcharge:</u> All kilowatthours, per kWh:	Per RAS Statement, as described in Rule 4
Bill Issuance Charge	\$0.62

Meter Charge: As specified in the Meter Charge section of this Service Classification.

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the VPO, will be required to pay a Transition Charge, as described under Electricity Supply Pricing Option No. 1, EPO.

Electricity Supply Charge

The charge for electricity supply service under the VPO will fluctuate with the market price of electricity and will include the following components: energy, capacity, capacity reserves, line losses and unaccounted for energy. Customers will be charged for energy based on their class deemed load shape using day-ahead prices. They will be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility. Customers will be charged for losses, company use and unaccounted for energy by multiplying the energy and capacity costs by a loss factor for their voltage level.

In the event that RG&E determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, RG&E will credit or recover the full amount of the estimated gain or loss through the TC from VPO customers.

SERVICE CLASSIFICATION NO. 7 (Cont'd)

GENERAL SERVICE - 12 KW MINIMUM

SPECIAL PROVISIONS (Cont'd):

4. Economic Development Programs

A. Economic Development Zone Rider (EDZ)

New service under this rider will no longer be available to customers whose zone certificate includes an initial date of eligibility after January 1, 2005.

Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.L.2 shall pay for service at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$25.00
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$ 4.92
Energy Charge: All kilowatthours, per kilowatthour	.04130
Systems Benefit Charge: All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge: All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

EDZ customers with less than 100% of their load served under EDZ rates will be offered two electric supply pricing options for the non-EDZ portion and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B) Empire Zone Rate (EZR)

Service taken under this Service Classification may be eligible for the rates and charges under the Empire Zone Rate. Any customer who meets the qualifications set forth under General Information Section 4.L.4 shall pay for service at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$7.39
Delivery Charge, per kWh, Peak	\$0.000563
Off-peak	\$0.000409
Systems Benefit Charge: All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge: All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge: All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs: All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62

SERVICE CLASSIFICATION NO. 7 (Cont'd)

GENERAL SERVICE - 12 KW MINIMUM

4. Economic Development Programs (Cont'd)

B) Empire Zone Rate (EZR)

Metering Charges:

Meter Ownership Charge:

Metering Voltage

Secondary	\$2.75
Secondary (Polyphase)	\$2.75
Primary (Polyphase)	\$2.75

Meter Service Charge:

Metering Voltage

Secondary	\$2.32
Secondary (Polyphase)	\$2.32
Primary (Polyphase)	\$2.32

Meter Data Service Charge (meter reading):

Metering Voltage

Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13

Retail Access Credit (applicable to customers with EPO supply pricing option)

All kilowatthours, per kWh	\$0.004
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EZR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

5. Incremental Load Programs

A. Incremental Manufacturing Load Rider (IMLR)

New service under this rider will no longer be available after June 30, 2002. Customers will be phased-out of this program to the ILR program in accordance with Rule 4.L.3.

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.3 of this tariff, shall pay for service for its eligible load at the following rate:

All kilowatthours, per kWh:	\$0.045
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Systems Benefit Charge: All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge: All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

SERVICE CLASSIFICATION NO. 7 (Cont'd)

GENERAL SERVICE - 12 KW MINIMUM

5. Incremental Load Programs (Cont'd)

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B. Incremental Load Rate (ILR)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.A of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$10.39
Delivery Charge:	
First 200 hours' use of measured demand, per kWh	\$0.000792
Over 200 hours' use of measured demand, per kWh	\$0.000574
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62
Metering Charges:	
Meter Ownership Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.75
Secondary (Polyphase)	\$2.75
Primary (Polyphase)	\$2.75
Meter Service Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.32
Secondary (Polyphase)	\$2.32
Primary (Polyphase)	\$2.32
Meter Data Service Charge (meter reading):	
<u>Metering Voltage</u>	
Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13
Retail Access Credit (applicable to customers with EPO supply pricing option)	
All kilowatthours, per kWh	\$0.004

SERVICE CLASSIFICATION NO. 7 (Cont'd)

GENERAL SERVICE - 12 KW MINIMUM

5. Incremental Load Programs (Cont'd)

B. Incremental Load Rate (ILR) (Cont'd)

ILR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

C. Incremental Load Rate- Retail Trade Pilot (ILR Pilot)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.B of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$44.18
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$10.39
Delivery Charge, per kWh	
Peak	\$0.000792
Off-peak	\$0.000574
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62
Metering Charges:	
Meter Ownership Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.75
Secondary (Polyphase)	\$2.75
Primary (Polyphase)	\$2.75
Meter Service Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.32
Secondary (Polyphase)	\$2.32
Primary (Polyphase)	\$2.32

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE - TIME-OF-USE RATE

4. RG&E Variable Price Option (VPO) (Cont'd)

Transition Charge ("TC", or Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the VPO, will be required to pay a Transition Charge, as described under Electricity Supply Pricing Option No. 1, EPO.

Electricity Supply Charge

The charge for electricity supply service under the VPO will fluctuate with the market price of electricity and will include the following components: energy, capacity, capacity reserves, line losses and unaccounted for energy. Customers will be charged for energy based on their class deemed load shape using day-ahead prices. They will be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility. Customers will be charged for losses, company use and unaccounted for energy by multiplying the energy and capacity costs by a loss factor for their voltage level.

In the event that RG&E determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, RG&E will credit or recover the full amount of the estimated gain or loss through the TC from VPO customers.

DELIVERY CHARGES:

Customer Charge:	<u>Rate</u>
Secondary	\$484.78
Sub Transmission-Secondary	\$784.78
Primary	\$434.78
SubTransmission-Industrial	\$684.78
SubTransmission-Commercial	\$684.78
Transmission	\$934.78

Surcharge to Collect Advanced Metering (AMI) Costs:

The Customer Charges listed above will be increased to include the associated AMI surcharge listed in the AMI surcharge statement of this tariff, pursuant to Rule 4.

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE TIME -OF-USE RATE (Cont'd)

SPECIAL PROVISIONS: (Contd.)

5. Economic Development Programs

A. Economic Development Zone Rider (EDZ)

New service under this rider will no longer be available to customers whose zone certificate includes an initial date of eligibility after January 1, 2005. Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.L.2 shall pay for service at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	
Secondary	\$250.00
Sub Transmission - Secondary	400.00
Primary	225.00
Sub Transmission - Industrial	350.00
Sub Transmission - Commercial	350.00
Transmission	475.00
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement as Described in Rule 4.
Demand Charge: All kilowatts, per kilowatt of billing demand	
Secondary	\$5.87
Transmission - Secondary	2.75
Primary	5.67
Subtransmission	2.75
Transmission	1.38
Energy Charge: All kilowatthours, per kilowatthour	
Peak Hours	
Secondary	.04420
Transmission - Secondary	.04272
Primary	.04405
Subtransmission	.04257
Transmission	.04195
Shoulder-peak hours	
Secondary	.04317
Transmission - Secondary	.04187
Primary	.04304
Subtransmission	.04173
Transmission	.04117
Off-peak hours	
Secondary	.03894
Transmission - Secondary	.03803
Primary	.03885
Subtransmission	.03792
Transmission	.03753

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE TIME -OF-USE RATE (Cont'd)

SPECIAL PROVISIONS: (Contd.)

5. Economic Development Programs (Cont'd):

Systems Benefit Charge:
 All kilowatthours, per kWh Per SBC Statement

EDZ customers with less than 100% of their load served under EDZ rates will be offered two electric supply pricing options for the non-EDZ portion and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B) Empire Zone Rate (EZR)

Service taken under this Service Classification may be eligible for the rates and charges under the Empire Zone Rate. Any customer who meets the qualifications set forth under General Information Section 4.L.4 shall pay for service at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge: (per month)	
Secondary	\$484.78
Sub Transmission-Secondary	\$784.78
Primary	\$434.78
SubTransmission-Industrial	\$684.78
SubTransmission-Commercial	\$684.78
Transmission	\$934.78
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	
Secondary	\$4.73
Transmission - Secondary	3.24
Primary	3.57
Subtransmission - Industrial	2.14
Subtransmission - Commercial	2.99
Transmission	1.51
Systems Benefit Charge: All kilowatthours, per kWh	Per SBC Statement
Retail Access Surcharge: All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs: All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62
Retail Access Credit (applicable to customers with EPO supply pricing option)	
All kilowatthours, per kWh	\$0.004

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE TIME -OF-USE RATE (Cont'd)

SPECIAL PROVISIONS: (Contd.)

METER CHARGES:

The following charges are applicable to a customer taking service under this Service Classification.

Meter Ownership Charge:

Metering Voltage

Secondary (Polyphase)	\$9.28
Primary (Polyphase)	\$9.28
Sub Transmission (Polyphase)	\$9.28
Transmission (Polyphase)	\$9.28

Meter Service Charge:

Metering Voltage

Secondary (Polyphase)	\$4.97
Primary (Polyphase)	\$4.97
Sub Transmission (Polyphase)	\$4.97
Transmission (Polyphase)	\$4.97

Meter Data Service Charge (meter reading):

Metering Voltage

Secondary (Polyphase)	\$0.35
Primary (Polyphase)	\$0.35
Sub Transmission (Polyphase)	\$0.35
Transmission (Polyphase)	\$0.35

EZR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE - TIME -OF-USE RATE (Cont'd)

SPECIAL PROVISIONS: (Cont'd.)

6. Incremental Load Programs

A. Incremental Manufacturing Load Rider (IMLR)

New service under this rider will no longer be available after June 30, 2002. Customers will be phased-out of this program to the ILR program in accordance with Rule 4.L.3.

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.3 of this tariff, shall pay for service for its eligible load at the following rate:

All kilowatthours, per kilowatthour:	\$0.045
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B. Incremental Load Rate (ILR)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.A of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge: (per month)	
Secondary	\$484.78
Sub Transmission-Secondary	\$784.78
Primary	\$434.78
SubTransmission-Industrial	\$684.78
SubTransmission-Commercial	\$684.78
Transmission	\$934.78
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	
Secondary	\$6.33
Transmission - Secondary	3.96
Primary	5.44
Subtransmission - Industrial	2.73
Subtransmission - Commercial	3.19
Transmission	2.44

SERVICE CLASSIFICATION NO. 8 (Cont'd)

LARGE GENERAL SERVICE - TIME -OF-USE RATE (Cont'd)

6. Incremental Load Programs (Cont'd)

C. Incremental Load Rate- Retail Trade Pilot (ILR Pilot) (Cont'd)

RATE: (per month)	<u>Rate</u>
Customer Charge: (per month)	
Secondary	\$484.78
Sub Transmission-Secondary	\$784.78
Primary	\$434.78
SubTransmission-Industrial	\$684.78
SubTransmission-Commercial	\$684.78
Transmission	\$934.78
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	
Secondary	\$6.33
Transmission - Secondary	3.96
Primary	5.44
Subtransmission - Industrial	2.73
Subtransmission - Commercial	3.19
Transmission	2.44
Systems Benefit Charge: All kilowatthours, per kWh	Per SBC Statement
Retail Access Surcharge: All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs: All kilowatthours, per kWh	Per TC ED Statement
Retail Access Credit (applicable to customers with EPO supply pricing option) All kilowatthours, per kWh	\$0.004

ILR Pilot customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

7. Competitive Metering

A Customer taking service under this service classification which has a measured demand of 50 kW or greater for two consecutive months during the most recent 12 months is eligible to contract with a qualified Meter Service Provider (MSP) and a qualified Meter Data Service Provider (MDSP) to provide meter services and meter data services, in accordance with Rule 3.E.4 and Rule 4.A.3 of this tariff. Meter service and meter data service will be provided in accordance with Addendum MET of this tariff.

Each month, a Customer receiving meter service and meter data service from a MSP and/or MDSP will not be charged the Meter Ownership, Meter Service and Meter Data Service charges.

8. NYISO Emergency Demand Response Program Rider

Any Customer that is taking service under this service classification and is participating in the NYISO's Emergency Demand Response Program ("EDRP"), as provided in the NYISO's Services Tariff as an EDRP Load, is eligible for service under this rider. The Customer must submit to the Company an application for service under this Rider. The Company will process the Customer application in no more than seven (7) days after submission of a completed application, subject to any processing time required by the NYISO.

Participation in the EDRP is voluntary and no penalties will be assessed for the failure to curtail load.

a) Term

The Company will notify customers as to when their load may first be offered to the NYISO.

SERVICE CLASSIFICATION NO. 8

LARGE GENERAL SERVICE - TIME-OF-USE RATE (Cont'd)

SPECIAL PROVISIONS:

13. Hourly Pricing – Mandatory and Voluntary (Cont'd)

Exempt from Mandatory – Offered on a Voluntary Basis (Cont'd):

Hourly Pricing is voluntary to customers that began participating in any of the Company’s economic development programs without supply option restrictions prior to January 1, 2007 and would have otherwise qualified for mandatory hourly pricing (having a measured demand of not less than 1,000 kilowatts during any two of the previous 12 months). See the chart below stating the portion of a customer’s load to which Hourly Pricing option is applicable. Upon the conclusion of their participation in the economic development program the customer will have two supply options, EPO or Hourly Pricing option, described in this provision.

Economic Development Program	Supply options for customers who began the program prior to January 1, 2007 and also have a measured demand of not less than 1,000 kilowatts during any two of the previous 12 months.	
	Supply option for the load not receiving the incentive	Supply option for load receiving the incentive
EDZ	VPO, FPO	Supply included in the bundled rate
IMLR transitioning to ILR *	VPO, FPO	The IMLR portion of supply is included in the bundled rate. Supply choices for the ILR portion are VPO and FPO.
ILR *	VPO, FPO, EPO, Hourly Pricing	VPO, FPO, EPO, Hourly Pricing
EZR *	VPO, FPO, EPO, Hourly Pricing	VPO, FPO, EPO, Hourly Pricing

* The supply choice must be the same for the load not receiving the incentive and the load receiving the incentive.

DELIVERY CHARGES:

All the standard Service Classification No. 8 delivery charges shall apply to hourly priced customers. These charges include the voltage level appropriate Customer Charge, Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs, Bill Issuance Charge, Meter Charge, Meter Service Charge, Meter Data Service Charge, Deliver Demand charge, Transition Demand Charge, Variable Transition charge, System Benefits Charge, Renewable Portfolio Standard Charge, and Retail Access Surcharge. The delivery charges apply regardless of the supply option the customer has chosen.

HOURLY METERING CHARGE, per month:

Hourly priced customers are required to pay a monthly incremental meter charge of \$7.92, regardless of the Electric Supply Pricing Option chosen. Customers that have paid for their own meter are exempt from this charge.

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE

APPLICABLE TO USE OF SERVICE FOR:

All purposes, in Entire Territory, at the option of customers who would otherwise be served under Service Classification No. 2, 3 or 7 of this Schedule. This service classification shall remain available to those customers taking service continuously hereunder as of October 24, 1997, but, after that date this classification shall no longer be available to new or converting customers. This classification is available to all such customers providing that access to a telephone extension is available at the meter location(s).

CHARACTER OF SERVICE:

Continuous, Alternating Current - 60 cycle; voltage and phase at the Company's option, as available and appropriate for the customer's requirements.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this Service Classification must select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge ("TC", or Non-Bypassable Charge ["NBC"] described below), a Retail Access Credit of \$0.004 per kWh, and a Bill Issuance Charge. Electricity supply is provided by an ESCO.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$9.01
Energy Delivery Charge (Peak hours, per kilowatt-hour)	\$0.00663
(Off-Peak hours, per kilowatt-hour)	\$0.00389
Meter Charge	
Single Phase	\$3.98
Poly Phase	\$6.55
Transition Charge: per kW	\$0.00
Additional Meter Charge:	As specified in the Meter Charges section of this Service Classification.

System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

Retail Access Surcharge:

All kilowatthours, per kWh Per RAS Statement, as described in Rule 4

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

3. RG&E Fixed Price Option (FPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fixed Transition Charge (TC, as described below), a fixed commodity charge for electricity supply, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$9.01
Energy Delivery Charge (Peak hours, per kilowatt-hour)	\$0.00663
(Off-Peak hours, per kilowatt-hour)	\$0.00389
Meter Charge	
Single Phase	\$3.98
Poly Phase	\$6.55
Transition Charge: per kW	\$0.00
Additional Meter Charge: As specified in the Meter Charges section of this Service Classification.	

System Benefits Charge:

All kilowatthours, per kWh Per SBC Statement

Renewable Portfolio Standard Charge:

All kilowatthours, per kWh Per RPS Statement, as described in Rule 4

Retail Access Surcharge:

All kilowatthours, per kWh: Per RAS Statement, as described in Rule 4

Bill Issuance Charge \$0.62

Transition Charge ("TC". or Non-Bypassable Charge ["NBC"]):

The Transition Charge (TC) is a per kilowatt-hour charge and a per kilowatt charge that will recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

Fixed components of the TC include the fixed costs of RG&E owned-generation and generation related regulatory assets.

The remaining components of the TC will be forecast and established on October 1, 2004, to be effective January 1, 2005, and fixed for the first commodity rate period, and then reforecast and established on October 1 of each subsequent commodity rate period, to be effective January 1 of the next commodity rate period, and fixed for that next commodity rate period:

- Variable costs of RG&E-owned generation,
- Transmission-related costs and revenues, and allocated uncollectible costs associated with electric supply,
- The value of the output of the RG&E-owned generation,
- Ancillary services (excluding Schedule 4 - Energy Imbalance) and New York Power Authority ("NYPA") Transmission Adjustment Charge ("NTAC") costs,

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

3. RG&E Fixed Price Option (FPO) (Cont'd)

- (e) The net value of NYPA, Nine Mile 2 and Ginna purchased power contracts. The net value will be based on a forecast of the output and contract costs, and the market prices used in the development of the FPO. The value of the NYPA power will be streamed to residential customers as required.

A Transition Charge – Fixed (TCF) Statement setting forth the annual Residential and Non-Residential Transition Charges will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year. Such statement can be found at the end of this Schedule (PSC 19 - Electricity).

Electricity Supply Charge

Pursuant to RG&E's Electric Rate Joint Proposal, as described at Rule 12, the fixed commodity component of the FPO will be determined each October 1, to be effective January 1 of the upcoming Commodity Rate Period, as described at Rule 12. For an existing customer starting service at a new location or for a new customer after April 1 of any Commodity Rate Period, the fixed commodity component of the FPO will be adjusted every April to reflect any increase in the cost of fixed price service that may have occurred since October 1 of the year preceding each Commodity Rate Period, but in no instance will the adjusted fixed commodity component be lower than the original fixed commodity component.

An FPO Statement setting forth the Fixed Commodity Component of the FPO will be filed with the Public Service Commission on not less than three (3) days' notice prior to January 1 of each year.

4. RG&E Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for RG&E delivery service, a fluctuating Transition Charge (TC, as described below), a commodity charge for electricity supply that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses and unaccounted for energy, and a Bill Issuance Charge. Electricity supply is provided by RG&E.

RATE: (Per Meter, Per Month)

Delivery Charges:

Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Delivery Demand Charge (All months, per kilowatt)	\$9.01
Energy Delivery Charge (Peak hours, per kilowatt-hour)	\$0.00663
(Off-Peak hours, per kilowatt-hour)	\$0.00389
Meter Charge	
Single Phase	\$3.98
Poly Phase	\$6.55
Transition Charge: per kW	\$0.00

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

SPECIAL PROVISIONS:

1. Submetering Service
Electric service under this service classification is available to any customer who qualifies for a submetering option as provided for under Rule 2.E.2.
2. Change of Service Classification
The Company will provide service under Service Classification No. 8 - General Service - 300 Kilowatts Minimum, whenever it is determined that the customer is using, or might use, 300 kilowatts or more of billing demand during any three months in an annual period.
3. Economic Development Programs
 - A. Economic Development Zone Rider (EDZ)
New service under this rider will no longer be available to customers whose zone certificate includes an initial date of eligibility after January 1, 2005. Service taken under this Service Classification may be eligible for the rates and charges under the Economic Development Zone Rider. Any customer who meets the qualifications set forth under General Information Section 4.L.2 shall pay for service at the following rate:

RATE: (per month)	<u>RATE</u>
Customer Charge:	\$25.00
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$ 4.95
Energy Charge:	
For all peak kilowatthours, per kilowatthour	.04444
For all shoulder-peak kilowatthours, per kilowatthour	.04337
For all off-peak kilowatthours, per kilowatthour	.03909
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

EDZ customers with less than 100% of their load served under EDZ rates will be offered two electric supply pricing options for the non-EDZ portion and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

3. Economic Development Programs (Cont'd)

B) Empire Zone Rate (EZR)

Service taken under this Service Classification may be eligible for the rates and charges under the Empire Zone Rate. Any customer who meets the qualifications set forth under General Information Section 4.L.4 shall pay for service at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$3.61
Delivery Charge, per kWh, Peak	\$0.013280
Off-peak	\$0.001558
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62
Metering Charges:	
Meter Ownership Charge:	
<u>Metering Voltage</u>	
Secondary	\$3.75
Secondary (Polyphase)	\$3.75
Primary (Polyphase)	\$3.75
Meter Service Charge:	
<u>Metering Voltage</u>	
Secondary	\$2.73
Secondary (Polyphase)	\$2.73
Primary (Polyphase)	\$2.73
Meter Data Service Charge (meter reading):	
<u>Metering Voltage</u>	
Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13
Retail Access Credit (applicable to customers with EPO supply pricing option)	
All kilowatthours, per kWh	\$0.004

EZR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

SPECIAL PROVISIONS: (Contd.)

4. Incremental Load Programs

A. Incremental Manufacturing Load Rider (IMLR)

New service under this rider will no longer be available after June 30, 2002. Customers will be phased-out of this program to the ILR program in accordance with Rule 4.L.3.

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.3 of this tariff, shall pay for service for its eligible load at the following rate:

All kilowatthours, per kilowatthour:	\$0.045
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

B. Incremental Load Rate (ILR)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.A of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure Costs (AMI)	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge:	
All kilowatts, per kilowatt of billing demand	\$6.31
Delivery Charge, per kWh,	
Peak	\$0.023215
Off-peak	\$0.002724
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement
Renewable Portfolio Standard Charge:	
All kilowatthours, per kWh	Per RPS Statement, as described in Rule 4
Retail Access Surcharge:	
All kilowatthours, per kWh	Per RAS Statement
Transition Charge for Economic Development Programs:	
All kilowatthours, per kWh	Per TC ED Statement
Bill Issuance Charge	\$0.62

SERVICE CLASSIFICATION NO. 9

GENERAL SERVICE TIME-OF-USE (Cont'd)

4. Incremental Load Programs (Cont'd)

B. Incremental Load Rate (ILR) (Cont'd)

Metering Charges:

Meter Ownership Charge:

Metering Voltage

Secondary	\$3.75
Secondary (Polyphase)	\$3.75
Primary (Polyphase)	\$3.75

Meter Service Charge:

Metering Voltage

Secondary	\$2.73
Secondary (Polyphase)	\$2.73
Primary (Polyphase)	\$2.73

Meter Data Service Charge (meter reading):

Metering Voltage

Secondary	\$0.13
Secondary (Polyphase)	\$0.13
Primary (Polyphase)	\$0.13

Retail Access Credit (applicable to customers with EPO supply pricing option)

All kilowatthours, per kWh \$0.004

ILR customers will be offered three electric supply pricing options and charged in accordance with their choice:

1. ESCO Price Option
2. Variable Price Option
3. Fixed Price Option

Customers transitioning from IMLR to ILR will be offered two electricity supply pricing options for the ILR portion of their load and charged in accordance with their choice:

1. Variable Price Option
2. Fixed Price Option

C. Incremental Load Rate- Retail Trade Pilot (ILR Pilot)

Service taken under this Service Classification may be eligible for the rates and charges under the Incremental Manufacturing Load Rider. Any customer who meets the qualifications set forth under Rule 4.L.1.B of this tariff, shall pay for service for its eligible load at the following rate:

RATE: (per month)	<u>Rate</u>
Customer Charge:	\$42.77
Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs	Per AMI Surcharge Statement, as described in Rule 4
Demand Charge: All kilowatts, per kilowatt of billing demand	\$6.31
Delivery Charge, per kWh, Peak	\$0.023215
Off-peak	\$0.002724
Systems Benefit Charge:	
All kilowatthours, per kWh	Per SBC Statement

SERVICE CLASSIFICATION NO. 10 (Cont'd)

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification will be increased by the applicable effective aggregate percentage shown in Rule 4.J. for service supplied within the municipality where the Customer is taking service.

Surcharge to Collect Advanced Metering
Infrastructure (AMI) Costs

Per AMI Surcharge Statement, as described in Rule 4

SYSTEM BENEFITS CHARGE:

Energy provided under this Service Classification is subject to system benefit charges as required by the PSC's Order issued January 26, 2001 in Case 94-E-0952.

TERMS OF PAYMENT:

All bills are rendered at the above rates as stated on each Individual Electric Service Agreement. A late payment charge of one and one-half (1 1/2) percent per month shall become due and payable if payment is not made on or before the "last day to pay" date specified on the bill in accordance with the provisions of Rule 4.C(2). The late payment charge will be stated in the Individual Electric Service Agreement but shall not exceed the rate stated in Rule 4.C.2.

RETAIL ACCESS SURCHARGE (RAS):

Per RAS Statement, as described in Rule 4. All kilowatt hours, per kWh.

ELECTRIC SUPPLY RECONCILIATION MECHANISM (ESR, ALSO CALLED SUPPLY COST ADJUSTMENT):

Per ESR Statement, as described in Rule 4. All kilowatt hours, per kWh.

NYISO EMERGENCY DEMAND RESPONSE PROGRAM RIDER

Any Customer that is taking service under this Service Classification and is participating in the NYISO's Emergency Demand Response Program ("EDRP"), as provided in the NYISO's Services Tariff as an EDRP Load, is eligible for service under this rider. The Customer must submit to the Corporation an application for service under this Rider. The Corporation will process the Customer application in no more than seven (7) days after submission of a completed application, subject to any processing time required by the NYISO.

Participation in the EDRP is voluntary and no penalties will be assessed for the failure to curtail load.

a) Term
The Corporation will notify Customers as to when their load may first be offered to the NYISO.

b) Emergency Demand Response Period Notification

The Corporation will notify Customers served under this Rider when the NYISO declares an emergency, in accordance with Attachment G to NYISO's Services Tariff. Notice shall be provided by telephone, e-mail, facsimile and/or other electronic means, as agreed upon by the Corporation and the Customer. Notification will occur approximately 2 hours prior to the need for load reduction by Customers. The Corporation shall endeavor to provide earlier notification when possible, but shorter notification periods may be necessary. The Corporation will also notify Customers served under this Rider when the NYISO declares the emergency to be over. Reductions to the load served by the Corporation by Customers under this Rider in response to NYISO-declared emergencies will be voluntary. In order to receive payments under this Rider, Customers must be able to demonstrate that their load curtailment or operation of emergency generating equipment was in effect for the entire period of each NYISO-declared emergency. The Customer shall designate in writing an authorized representative and an alternate representative to receive the notice.

(Continued on next leaf)

SERVICE CLASSIFICATION NO. 11 (Cont'd)

TERM

The term of delivery service shall be limited to no more than five years, unless a longer term is approved by the PSC. Prospective adjustments may be negotiated by the Corporation and the Customer, as defined within the Individual Electric Service Agreement.

The term of standard Corporation-offered commodity service supplied by the Corporation shall be reflected in the Individual Electric Service Agreement and shall remain in effect for the time periods established in the otherwise applicable Service Classification.

Other commodity options may provide for prospective price changes and term limitations, as defined within the Individual Electric Service Agreement.

If a Customer terminates or breaches an Individual Electric Service Agreement with the Corporation prior to the expiration of the term in which the price for a non-tariffed commodity option was to remain in effect, the Customer shall be responsible for compensating the Corporation for any obligations the Corporation has, or any damages the Corporation incurs, to a commodity supplier or a provider of a financial hedge relating to that price.

Surcharge to Collect Advanced Metering
Infrastructure (AMI) Costs

Per AMI Surcharge Statement, as described in Rule 4

SYSTEM BENEFIT CHARGE

Each customer bill for service under this Service Classification will be increased by multiplying all kilowatthours delivered by the applicable system benefits charge, as mandated by Public Service Commission Order issued January 26 2001, shown in the System Benefits Charge Statement.

RENEWABLE PORTFOLIO STANDARD:

Each customer bill for service under this Service Classification will be increased by multiplying all kilowatthours delivered by the applicable Renewable Portfolio Standard charge, as shown in the Renewable Portfolio Standard Charge statement as described in Rule 4.

RETAIL ACCESS SURCHARGE (RAS):

Per RAS Statement, as described in Rule 4. All kilowatt hours, per kWh.

ELECTRIC SUPPLY RECONCILIATION MECHANISM (ESR, ALSO CALLED SUPPLY COST ADJUSTMENT):

Per ESR Statement, as described in Rule 4. All kilowatt hours, per kWh.

SERVICE CLASSIFICATION NO. 12

POWER FOR JOBS (Cont'd)

Delivery Charges:

The Company shall charge the customer for delivery service at the rates specified below. Delivery rates vary according to the customer's Parent Service Classification.

<u>Parent Service Classification</u>	<u>Rates (\$/kW-mo)</u>
S.C. No. 3	8.295
S.C. No. 7	12.415
S.C. No. 8 Secondary	5.915
S.C. No. 8 Transmission-Secondary	3.590
S.C. No. 8 Primary	3.826
S.C. No. 8 Subtransmission	3.205
S.C. No. 8 Transmission	0.525

Monthly Customer Charge:

The Monthly Customer Charge shall be \$30.00 per month, exclusive of any other rates and charges (including any Customer Charge for the Parent Service Classification). For customers that are not served under a Parent Service Classification, the Monthly Customer Charge will be increased to include the Surcharge to Collect Advanced Metering Infrastructure Costs (AMI), listed in the AMI Surcharge Statement of this tariff, pursuant to Rule 4.

Monthly Minimum Charge:

The Monthly Minimum Charge for Power for Jobs Service shall consist of two components:

- A. The energy, transmission and ancillary services charges rendered to the Company by NYPA in connection with Power for Jobs service for the customer.
- B. The Monthly Customer Charge.

Retail Access Surcharge (RAS):

Per RAS Statement, as described in Rule 4. All kilowatt hours, per kWh.

Non-NYPA Load Electricity Supply Pricing Options:

Customers served under this Service Classification must, for their Non-NYPA Load, select from four different electricity supply pricing options offered by the Company as described below. RG&E will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (see 1 and 2 below) are the ESCO Price Option ("EPO") and the ESCO Option with Supply Adjustment ("EOSA"). The two Non-Retail Access choices (see 3 and 4 below) are the RG&E Fixed Price Option ("FPO") and the RG&E Variable Price Option ("VPO").

RG&E will provide delivery service only for the two Retail Access choices. Electricity supply is provided by an Energy Services Company ("ESCO").

RG&E will provide delivery service and electricity supply service for the two Non-Retail Access choices.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York

**SERVICE CLASSIFICATION NO. 14
 STANDBY SERVICE (Cont'd)**

RATES:

Delivery Charges:

The rate components of the delivery portion of this service: Customer Charge, Bill Issuance Charge, Meter Ownership Charge, Meter Service Charge, Meter Data Service Charge, Contract Demand Charge, and As-Used Demand Charge.

1.

Per customer, per month.					
Customer's OASC:	Customer Charge	Bill Issuance Charge	Meter Ownership Charge	Meter Service Charge	Meter Data Service Charge
SC No. 1	\$6.32	\$0.62	N/A	N/A	N/A
SC No. 2	\$8.51	\$0.62	N/A	N/A	N/A
SC No. 3	\$218.70	\$0.62	\$2.75	\$2.32	\$0.13
SC No. 7	\$44.15	\$0.62	\$2.75	\$2.32	\$0.13
SC No. 8 - Secondary	\$782.27	\$0.62	\$9.28	\$4.97	\$0.35
SC No. 8 - Transmission-Secondary	\$789.00	\$0.62	\$9.28	\$4.97	\$0.35
SC No. 8 - Primary	\$810.41	\$0.62	\$9.28	\$4.97	\$0.35
SC No. 8 - Sub Transmission-Industrial	\$915.63	\$0.62	\$9.28	\$4.97	\$0.35
SC No. 8 - Sub Transmission-Commercial	\$915.63	\$0.62	\$9.28	\$4.97	\$0.35
SC No. 8 - Transmission	\$1313.18	\$0.62	\$9.28	\$4.97	\$0.35

Surcharge to Collect Advanced Metering Infrastructure (AMI) Costs:

The customer charges listed above will be increased to include the associated AMI surcharge listed in the AMI surcharge statement of this tariff, pursuant to Rule 4.

2. Contract Demand Charge:

The Contract Demand Charge is determined by multiplying the Customer's Contract Demand times the Contract Demand rate. For customers whose OASC does not require demand metering, the Contract Demand will be the appropriate fixed monthly charge stated in this Service Classification.

Contract Demand Rate: Contract Demand kilowatts, per kilowatt of Contract Demand

OASC:	Delivery		Transition Charge			Total			
	SC No. 3	SC No. 7	SC No. 8	SC No. 3	SC No. 7	SC No. 8	SC No. 3	SC No. 7	SC No. 8
	4.84	8.37		(3.87)	(3.96)		0.97	4.41	
Secondary			2.68			(4.11)			(1.43)
Transmission – Secondary			2.29			(4.89)			(2.60)
Primary			2.12			(3.56)			(1.44)
Sub Transmission- Industrial			0.68			(4.00)			(3.32)
Sub Transmission – Commercial			0.68			(4.00)			(3.32)
Transmission			1.82			(4.88)			(3.06)

Contract Demand Rate: For customers whose OASC does not include a demand charge:

OASC:	Delivery		Transition Charge		Total	
	SC No. 1	SC No. 2	SC No. 1	SC No. 2	SC No. 1	SC No. 2
Contract Demand Rate, per customer, per month	23.52	17.13	(19.38)	(12.83)	4.14	4.30