PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: July 1, 2016 Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016 Leaf No. 127.45 Revision: 7 Superseding Revision: 5

GENERAL INFORMATION

11. WEATHER NORMALIZATION ADJUSTMENT (WNA)

A. Applicability:

- (1) The WNA shall be applicable to all space heating customers, except as otherwise set forth herein, taking service pursuant to Service Classification Nos. 1, 3, 5, 6, 7, 8 and 9 of this schedule or superseding issues thereof.
- (2) S.C. No. 3 and S.C. No. 7 customers whose use is greater than 35,000 therms annually shall be deemed space heating if more than 60% of their annual usage is experienced between November 1 and March 31. Prior to each WNA season, the Company shall calculate S.C. No. 3 and S.C. No. 7 applicability based on individual customer usage during the preceding 12-month period ending June 30. All affected S.C. No. 3 and S.C. No. 7 customers shall receive notice prior to the application of the WNA that they have exceeded the 60% threshold and are, therefore, subject to the WNA.
- (3) The WNA shall be applied to the total gas usage during the WNA season of October 1st through May 31st of each year. If only a portion of a customer's total gas usage for a particular billing period is applicable to the WNA season, then the WNA shall be adjusted to reflect the portion applicable to the WNA season.

B. Calculation of the WNA:

(1) The WNA shall be calculated using the following formulas:

 $WAF = \frac{DDF * (NHDD - AHDD)]}{(BP * BLT) + (DDF * AHDD)}$

Therms_{Normal} = Therms_{Actual} + (Therms_{Actual} * WAF) WNA_n = (R_n * Therms_{Normal(n)}) - R_n * Therms_{Actual(n)})

 $WNA_{Total} = Sum (WNA_n)$

- (2) Where,
 - (a). "WAF" is the Weather Adjustment Factor.
 - (b). "HDD" or Heating Degree Days are the difference between 65 degrees Fahrenheit and the average of the minimum and maximum temperature as reported by the Rochester National Weather Service station for a particular day. The HDD are zero when the average temperature is greater than 65 degrees Fahrenheit. HDD is also used to refer to the cumulative HDD for any defined period greater than one day.
 - (c). "NHDD" or Normal Heating Degree Days, for any given calendar day, are based upon a 10-year average of the heating degree-days for that calendar day. The applicable 10-year period ends on December 31st of the year before the current WNA season. NHDD is also used to refer to the cumulative NHDD for any defined period greater than one day.

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

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GENERAL INFORMATION

11. WEATHER NORMALIZATION ADJUSTMENT (WNA) (cont'd)

B. Calculation of the WNA (Cont'd):

- (d) "AHDD" or Actual Heating Degree Days are the actual difference between 65 degrees Fahrenheit and the average of the minimum and maximum temperature as reported by the Rochester National Weather Service station for a particular day. AHDD is zero when the average temperature is equal to or greater than 65 degrees Fahrenheit. AHDD is also used to refer to the cumulative AHDD for any defined period greater than one day.
- (e) "BP" or Billing Period is the actual number of billing days that occur during the WNA season.
- (f) "BLT" or Base Load Therms is the estimated number of non-temperature sensitive Therms per day. The estimate is based on the average daily use in the July and August billing months. If the customer has insufficient billing history to calculate the BLT, the average BLT for the applicable service class shall be used. The service class average BLTs shall be revised annually.
- (g) "DDF" or Degree Day Factor is the estimated number of temperature sensitive Therms required for each heating degree-day. If the customer has insufficient billing history to calculate the DDF, the average DDF for the applicable service class shall be used. The service class average DDFs shall be revised annually.
- (h) "Therms_{Normal}" is the estimated number of Therms the customer would have used if the weather were normal during the billing cycle.
- (i) "Therms_{Actual}" is the number of Therms the customer actually used during the billing cycle.
- (j) "Therms_{Normal(n)}" is the number of Therms_{Normal} that fall in the applicable rate block.
- (k) "ThermsActual_(n)" is the number of Therms_{Actual} that fall in the applicable rate block.
- (1) " WNA_n " is the weather normalization adjustment for the applicable rate block and is expressed in dollars.
- (m) $"R_n"$ is the applicable block rate and is expressed in dollars per Therm.
- (n) "WNA_{total}" is the customer's weather normalization adjustment and is expressed in dollars.