| THIS FILING IS | |
|---|---|
| Item 1: [X] An Initial (Original) Submission | OR [ ] Resubmission No. ____ |

Form 1 Approved
OMB No.1902-0021
(Expires 11/30/2022)
Form 1-F Approved
OMB No.1902-0029
(Expires 11/30/2022)
Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2022)

# FERC FINANCIAL REPORT
# FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

| Exact Legal Name of Respondent (Company) | Year/Period of Report |
|---|---|
| Rochester Gas and Electric Corporation | End of 2019/Q4 |

KPMG

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

# Independent Auditors' Report

To the Shareholders and Board of Directors
Rochester Gas and Electric Corporation:

We have audited the accompanying financial statements – regulatory basis of Rochester Gas and Electric Corporation, which comprise the comparative balance sheet as of December 31, 2019 and 2018, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements, included on pages 110 through 123 (excluding page 116) of the accompanying Federal Energy Regulatory Commission Form No. 1 (FERC Form 1).

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Federal Energy Regulatory Commissions as set forth in its applicable Uniform System of Accounts and published accounting releases; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position – regulatory basis of Rochester Gas and Electric Corporation as of December 31, 2019 and 2018, and its related statements of income – regulatory basis, retained earnings – regulatory basis, and cash flows – regulatory basis for the years then ended in accordance with the financial reporting provisions of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

KPMG

*Basis of Accounting*

We draw attention to the Introduction on page 123.1 on the FERC Form 1, which describes the basis of accounting. As described in the Introduction on page 123.1 on the FERC Form 1, the financial statements are prepared by Rochester Gas and Electric Corporation on the basis of the financial reporting provisions of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than U.S. generally accepted accounting principles, to meet the requirements of the Federal Energy Regulatory Commission. Our opinion is not modified with respect to this matter.

*Restriction on Use*

Our report is intended solely for the information and use of the Board of Directors and management of Rochester Gas and Electric Corporation for the filing with the Federal Energy Regulatory Commission and the New York State Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

New York, New York
April 17, 2020

# FERC FORM NO. 1/3-Q:
# REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

## IDENTIFICATION

| | |
|---|---|
| 01 Exact Legal Name of Respondent<br>Rochester Gas and Electric Corporation | 02 Year/Period of Report<br>End of 2019/Q4 |
| 03 Previous Name and Date of Change *(if name changed during year)*<br>/ / | |
| 04 Address of Principal Office at End of Period *(Street, City, State, Zip Code)*<br>89 East Avenue, Rochester, New York 14649 | |
| 05 Name of Contact Person<br>Joseph J. Syta | 06 Title of Contact Person<br>VP, Controller & Treasurer |
| 07 Address of Contact Person *(Street, City, State, Zip Code)*<br>89 East Avenue, Rochester, New York 14649 | |

| | | |
|---|---|---|
| 08 Telephone of Contact Person, *Including Area Code*<br>(585) 724-8003 | 09 This Report Is<br>(1) [X] An Original (2) [ ] A Resubmission | 10 Date of Report *(Mo, Da, Yr)*<br>/ / |

## ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

| | | |
|---|---|---|
| 01 Name<br>Joseph J. Syta | 03 Signature<br>Joseph J. Syta | 04 Date Signed *(Mo, Da, Yr)*<br>04/17/2020 |
| 02 Title<br>VP, Controller & Treasurer | | |

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

| Line No. | Title of Schedule (a) | Reference Page No. (b) | Remarks (c) |
|---|---|---|---|
| 1 | General Information | 101 | |
| 2 | Control Over Respondent | 102 | |
| 3 | Corporations Controlled by Respondent | 103 | |
| 4 | Officers | 104 | |
| 5 | Directors | 105 | |
| 6 | Information on Formula Rates | 106(a)(b) | |
| 7 | Important Changes During the Year | 108-109 | |
| 8 | Comparative Balance Sheet | 110-113 | |
| 9 | Statement of Income for the Year | 114-117 | |
| 10 | Statement of Retained Earnings for the Year | 118-119 | |
| 11 | Statement of Cash Flows | 120-121 | |
| 12 | Notes to Financial Statements | 122-123 | |
| 13 | Statement of Accum Comp Income, Comp Income, and Hedging Activities | 122(a)(b) | |
| 14 | Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep | 200-201 | |
| 15 | Nuclear Fuel Materials | 202-203 | None |
| 16 | Electric Plant in Service | 204-207 | |
| 17 | Electric Plant Leased to Others | 213 | None |
| 18 | Electric Plant Held for Future Use | 214 | |
| 19 | Construction Work in Progress-Electric | 216 | |
| 20 | Accumulated Provision for Depreciation of Electric Utility Plant | 219 | |
| 21 | Investment of Subsidiary Companies | 224-225 | |
| 22 | Materials and Supplies | 227 | |
| 23 | Allowances | 228(ab)-229(ab) | None |
| 24 | Extraordinary Property Losses | 230 | None |
| 25 | Unrecovered Plant and Regulatory Study Costs | 230 | None |
| 26 | Transmission Service and Generation Interconnection Study Costs | 231 | |
| 27 | Other Regulatory Assets | 232 | |
| 28 | Miscellaneous Deferred Debits | 233 | |
| 29 | Accumulated Deferred Income Taxes | 234 | |
| 30 | Capital Stock | 250-251 | |
| 31 | Other Paid-in Capital | 253 | |
| 32 | Capital Stock Expense | 254 | None |
| 33 | Long-Term Debt | 256-257 | |
| 34 | Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax | 261 | |
| 35 | Taxes Accrued, Prepaid and Charged During the Year | 262-263 | |
| 36 | Accumulated Deferred Investment Tax Credits | 266-267 | None |
| | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
| --- | --- | --- | --- |
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

| Line No. | Title of Schedule<br>(a) | Reference Page No.<br>(b) | Remarks<br>(c) |
| --- | --- | --- | --- |
| 37 | Other Deferred Credits | 269 | |
| 38 | Accumulated Deferred Income Taxes-Accelerated Amortization Property | 272-273 | None |
| 39 | Accumulated Deferred Income Taxes-Other Property | 274-275 | |
| 40 | Accumulated Deferred Income Taxes-Other | 276-277 | |
| 41 | Other Regulatory Liabilities | 278 | |
| 42 | Electric Operating Revenues | 300-301 | |
| 43 | Regional Transmission Service Revenues (Account 457.1) | 302 | None |
| 44 | Sales of Electricity by Rate Schedules | 304 | |
| 45 | Sales for Resale | 310-311 | |
| 46 | Electric Operation and Maintenance Expenses | 320-323 | |
| 47 | Purchased Power | 326-327 | |
| 48 | Transmission of Electricity for Others | 328-330 | |
| 49 | Transmission of Electricity by ISO/RTOs | 331 | Not Applicable |
| 50 | Transmission of Electricity by Others | 332 | |
| 51 | Miscellaneous General Expenses-Electric | 335 | |
| 52 | Depreciation and Amortization of Electric Plant | 336-337 | |
| 53 | Regulatory Commission Expenses | 350-351 | |
| 54 | Research, Development and Demonstration Activities | 352-353 | None |
| 55 | Distribution of Salaries and Wages | 354-355 | |
| 56 | Common Utility Plant and Expenses | 356 | None |
| 57 | Amounts included in ISO/RTO Settlement Statements | 397 | |
| 58 | Purchase and Sale of Ancillary Services | 398 | |
| 59 | Monthly Transmission System Peak Load | 400 | |
| 60 | Monthly ISO/RTO Transmission System Peak Load | 400a | Not Applicable |
| 61 | Electric Energy Account | 401 | |
| 62 | Monthly Peaks and Output | 401 | |
| 63 | Steam Electric Generating Plant Statistics | 402-403 | None |
| 64 | Hydroelectric Generating Plant Statistics | 406-407 | None |
| 65 | Pumped Storage Generating Plant Statistics | 408-409 | None |
| 66 | Generating Plant Statistics Pages | 410-411 | None |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".


| Line No. | Title of Schedule<br>(a) | Reference Page No.<br>(b) | Remarks<br>(c) |
|---|---|---|---|
| 67 | Transmission Line Statistics Pages | 422-423 | |
| 68 | Transmission Lines Added During the Year | 424-425 | |
| 69 | Substations | 426-427 | |
| 70 | Transactions with Associated (Affiliated) Companies | 429 | |
| 71 | Footnote Data | 450 | |


Stockholders' Reports Check appropriate box:

[ ] Two copies will be submitted

[ ] No annual report to stockholders is prepared

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Joseph J. Syta
Vice President, Controller & Treasurer
Rochester, New York 14649

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

New York - June 11, 1904 - Transportation Corporation Law

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

The property of the Respondent was not held by a receiver or trustee at any time during 2019.

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

The Respondent is primarily engaged in electricity generation, transmission and distribution operations and natural gas transportation and distribution operations in western New York.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) [ ] Yes...Enter the date when such independent accountant was initially engaged:
(2) [X] No

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiearies for whom trust was maintained, and purpose of the trust.

On August 2, 1999 the holding company, RGS Energy Group, Inc. (RGS Energy) was formed, and included the following wholly-owned subsidiaries and affiliates: Rochester Gas and Electric Corporation (RG&E), Energetix, RGS Development Corporation and Energyline. At any time, any and all investment and interest previously held by RG&E in any subsidiaries was transferred to RGS Energy. Effective June 28, 2002, pursuant to a Plan of Merger, RGS Energy became a wholly-owned subsidiary of Energy East Corporation.

The merger between Energy East Corporation and Green Acquisition Capital, Inc., a wholly-owned subsidiary of Iberdrola, S.A., (Iberdrola) became effective on September 16, 2008. As a result of the merger, Iberdrola holds through direct ownership, 100% of the voting stock of RGS Energy. On December 1, 2009, Iberdrola USA Inc. changed its legal and operating name to Iberdrola USA, Inc. from Energy East Corporation.

On November 20, 2013, Iberdrola USA Networks, Inc. was formed when Iberdrola USA, Inc. was reorganized to become the parent company of Iberdrola USA Networks, Inc. Iberdrola USA Networks, Inc. was a wholly-owned subsidiary of Iberdrola USA, Inc. In late 2015, Avangrid, Inc., formerly Iberdrola USA, Inc., was reorganized to become the parent company of Avangrid Networks, Inc., formerly Iberdrola USA Networks, Inc. Avangrid Networks, Inc. holds through direct ownership 100% of the voting stock of RGS Energy Group, Inc.

Avangrid Networks, Inc. is a wholly-owned subsidiary of Avangrid, Inc. which is a 81.5% owned subsidiary of Iberdrola, S.A. (Iberdrola), a corporation organized under the laws of the Kingdom of Spain.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions
1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

| Line No. | Name of Company Controlled (a) | Kind of Business (b) | Percent Voting Stock Owned (c) | Footnote Ref. (d) |
|---|---|---|---|---|
| 1 | None | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is $50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

| Line No. | Title (a) | Name of Officer (b) | Salary for Year (c) |
|---|---|---|---|
| 1 | CEO and President | Carl A. Taylor * | 315,000 |
| 2 | Vice President, Controller & Treasurer | Joseph J. Syta | 215,000 |
| 3 | Vice President - Energy Supply | David J. Kimiecik * | 200,000 |
| 4 | Vice President - Gas Operations | Michael D. Eastman * | 242,000 |
| 5 | General Counsel and Secretary | Jeffrey A. Rosenbloom * | 199,661 |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | * Salary is paid by New York State Electric and Gas | | |
| 10 | Corp. or Avangrid Service Corp. | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |
| 25 | | | |
| 26 | | | |
| 27 | | | |
| 28 | | | |
| 29 | | | |
| 30 | | | |
| 31 | | | |
| 32 | | | |
| 33 | | | |
| 34 | | | |
| 35 | | | |
| 36 | | | |
| 37 | | | |
| 38 | | | |
| 39 | | | |
| 40 | | | |
| 41 | | | |
| 42 | | | |
| 43 | | | |
| 44 | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

| Line No. | Name (and Title) of Director (a) | Principal Business Address (b) |
|---|---|---|
| 1 | Anthony Marone III | Orange, Connecticut |
| 2 | | |
| 3 | Carl A. Taylor - CEO and President | Rochester, New York |
| 4 | | |
| 5 | R. Scott Mahoney | Orange, Connecticut |
| 6 | | |
| 7 | Robert Fitzgerald | Portland, Maine |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| 42 | | |
| 43 | | |
| 44 | | |
| 45 | | |
| 46 | | |
| 47 | | |
| 48 | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

| Does the respondent have formula rates? | [ ] Yes<br>[X] No |
|---|---|

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

| Line No. | FERC Rate Schedule or Tariff Number | FERC Proceeding |
|---|---|---|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?

[ ] Yes
[X] No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

| Line No. | Accession No. | Document Date \ Filed Date | Docket No. | Description | Formula Rate FERC Rate Schedule Number or Tariff Number |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
| 45 | | | | | |
| 46 | | | | | |
| | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## INFORMATION ON FORMULA RATES
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

| Line No. | Page No(s). | Schedule | Column | Line No |
|---|---|---|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 37 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |
| 43 | | | | |
| 44 | | | | |
| | | | | |

| Name of Respondent | This Report Is: | Date of Report | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

**Items 1-5:**
None

**Item 6:**

RG&E had a total of $33.2 million of notes payable as of December 31, 2019 and none as of December 31, 2018. RG&E funds short-term liquidity needs through an agreement among Avangrid's regulated utility subsidiaries (the Virtual Money Pool Agreement), a bi-lateral intercompany credit agreement with Avangrid (the Bi-Lateral Intercompany Facility) and a bank provided credit facility to which RG&E is a party (the AGR Credit Facility), each of which are described below.

The Virtual Money Pool Agreement is an agreement among the investment grade-rated, regulated utility subsidiaries of Avangrid under which the parties to this agreement may lend to or borrow from each other. This Agreement allows Avangrid to optimize cash resources within the regulated utility companies which are prohibited by regulation from lending to unregulated affiliates. The interest rate on transactions under this agreement is the A2/P2 non-financial 30-day commercial paper rate published by the Federal Reserve. RG&E has a lending/borrowing limit of $100 million under this agreement. On June 29, 2018, the RG&E Board approved the amendment to RG&E's borrowing and lending limit, increasing it temporarily from $100 million to $200 million. The amendment shall terminate on December 31, 2018, and all terms and conditions of the amendment shall revert back to the original terms and conditions provided for in the Agreement. There was no debt outstanding as of December 31, 2019 and December 31, 2018 under this agreement.

The Bi-Lateral Intercompany Facility provides for borrowing of up to $500 million from Avangrid at the A2/P2 non-financial 30-day commercial paper rate published by the Federal Reserve. RG&E had $33.2 million outstanding under this agreement as of December 31, 2019 and no debt outstanding under this agreement as of December 31, 2018.

On June 29, 2018, AGR and its investment-grade rate utility subsidiaries (New York State Electric & Gas Corporation (NYSEG), RG&E, Central Maine Power Company (CMP), The United Illuminating Company (UI), Connecticut Natural Gas Corporation (CNG), The Southern Connecticut Gas Company (SCG) and The Berkshire Gas Company (BGC)) increased the maximum borrowing terms of the facility from $1.5 billion to $2.5 billion (in aggregate) and extended the maturity date from April 5, 2021 to June 29, 2023. The revolving credit facility is comprised of a syndicate of banks. Under the terms of the AGR Credit Facility, each joint borrower has a maximum borrowing entitlement, or sublimit, which can be periodically adjusted to address specific short-term capital funding needs, subject to the maximum limit established by the banks. AGR's maximum sublimit is $2 billion, NYSEG, RG&E, CMP and UI have maximum sublimits of $400 million, CNG and SCG have maximum sublimits of $150 million and BGC has a maximum sublimit of $40 million. Under the AGR Credit Facility, each of the borrowers will pay an annual facility fee that is dependent on their credit rating. The facility fees will range from 10.0 to 17.5 basis points. Effective on June 29, 2019, the termination date for the AGR Credit Facility was extended to June 29, 2024. RG&E had not borrowed under this agreement as of both December 31, 2019 and December 31, 2018.

In the AGR Credit Facility we covenant not to permit, without the consent of the lender, our ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of indebtedness to total capitalization, the facility excludes from net worth the balance of accumulated other comprehensive loss as it appears on the balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness we may maintain. Continued un-remedied failure to comply with those covenants for five business days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity. Our ratio of indebtedness to total capitalization pursuant to the revolving credit facility was 0.50 to 1.00 at December 31, 2019. We are not in default as of December 31, 2019.

The short-term financing arrangements discussed above are authorized in FERC Docket No. ES16-10-000.

**Items 7-8:**
None

**Item 9:**

**RG&E Rate Plan**

On May 20, 2015, RG&E filed electric and gas rate cases with the NYPSC. We requested a rate increase for RG&E gas. RG&E electric proposed a rate decrease.

On February 19, 2016, RG&E and New York State Electric & Gas Corporation (NYSEG) (together, "the companies") and other signatory parties filed a Joint Proposal (Proposal) with the NYPSC for a three-year rate plan for electric and gas service at RG&E commencing May 1, 2016. The Proposal, which was approved by the NYPSC on June 15, 2016, balanced the varied interests of the signatory parties including but not limited to maintaining the companies' credit quality and mitigating the rate impacts to customers. The Proposal reflects many customer benefits including: acceleration of the companies' natural gas leak prone main replacement programs and increased funding for electric vegetation management to provide continued safe and reliable service. The delivery rate increase in the Proposal can be summarized as follows:

| | May 1, 2016 | | May 1, 2017 | | May 1, 2018 | |
|---|---|---|---|---|---|---|
| | Rate Increase (Millions) | Delivery Rate Increase % | Rate Increase (Millions) | Delivery Rate Increase % | Rate Increase (Millions) | Delivery Rate Increase % |
| **Electric** | $3.0 | 0.7% | $21.6 | 5.0% | $25.9 | 5.7% |
| **Gas** | $8.8 | 5.2% | $7.7 | 4.4% | $9.5 | 5.2% |

The allowed rate of return on common equity for RG&E Electric and RG&E Gas is 9.00%. The equity ratio for each company is 48%; however, the equity ratio is set at the actual up to 50% for earnings sharing calculation purposes. The customer share of any earnings above allowed levels increases as the ROE increases, with customers receiving 50%, 75% and 90% of earnings over 9.5%, 10.0% and 10.5% of ROE, respectively, in the first rate year covering the period May 1, 2016 – April 30, 2017. The earnings sharing levels increase in rate year two (May 1, 2017 – April 30, 2018) to 9.65%, 10.15% and 10.65% ROE, respectively. The earnings sharing levels further increase in rate year three (May 1, 2018 – April 30, 2019) to 9.75%, 10.25% and 10.75% ROE, respectively. The rate plans also include the implementation of a rate adjustment mechanism ("RAM") designed to return or collect certain defined reconciled revenues and costs, implementation of new depreciation rates, and continuation of the existing Revenue Decoupling Mechanism ("RDM") for each business.

The Proposal continues reserve accounting for qualifying Major Storms ($2.5 million annually for RG&E Electric). Incremental maintenance costs incurred to restore service in qualifying divisions will be chargeable to the Major Storm Reserve provided they meet certain thresholds for each storm event.

The Proposal maintains current electric reliability performance measures (and associated potential negative revenue adjustments for failing to meet established performance levels) which include the system average interruption frequency index (SAIFI) and the customer average interruption duration index (CAIDI). The Proposal also modifies certain gas safety performance measures at the companies, including those relating to the replacement of leak prone main, leak backlog management, emergency response, and damage prevention. The Proposal establishes threshold performance levels for designated aspects of customer service quality and continues and expands RG&E's bill reduction and arrears forgiveness Low Income Programs with increased funding levels included in the Proposal. Reforming the Energy Vision (REV) related incremental costs and fees will be included in the RAM to the extent cost recovery is not provided for elsewhere. Under the Proposal, the Company will implement the RAM, which will be applicable to all customers, to return or collect RAM Eligible Deferrals and Costs, including: (1) property taxes; (2) Major Storm deferral balances; (3) gas leak prone pipe replacement; and (4) REV costs and fees which are not covered by other recovery mechanisms.

The Proposal provides for partial or full reconciliation of certain expenses including, but not limited to: pensions, pension and other postretirement benefits; property taxes; variable rate debt and new fixed rate debt; gas research and development; environmental remediation costs; Major Storms; nuclear electric insurance limited credits; economic development; and Low Income Programs. The Proposal also includes a downward-only Net Plant reconciliation. In addition, the Proposal includes downward-only reconciliations for the costs of: electric distribution and gas vegetation management; pipeline integrity; and other incremental maintenance programs. The Proposal provides that we continue the electric RDMs on a total revenue per class basis and the gas RDMs on a revenue per customer basis.

On May 20, 2019, RG&E filed rate cases requesting increases in delivery revenues for both its electric and gas businesses. Other parties to the rate cases filed direct testimony on September 20, 2019, and RG&E filed rebuttal testimony on October 15. The Administrative Law Judges in the cases agreed to an extension of the litigation schedule to allow the Company, the Department of Public Service Staff ("DPS Staff"), and other parties to enter into settlement discussions, which are ongoing. The Company expects a Commission order in these rate cases in the third quarter of 2020.

**Reforming the Energy Vision (REV)**

In April 2014, the NYPSC commenced a proceeding entitled REV, which is a wide ranging initiative to reform New York State's energy industry and regulatory practices. REV has been divided into two tracks, Track 1 for Market Design and Technology, and Track 2 for Regulatory Reform. REV and its related proceedings have and will continue to propose regulatory changes that are intended to promote more efficient use of energy, deeper penetration of renewable energy resources such as wind and solar and wider deployment of distributed energy resources, such as micro grids, on-site power supplies and storage.

REV is also intended to promote greater use of advanced energy management products to enhance demand elasticity and efficiencies. Track 1 of this initiative involves a collaborative process to examine the role of distribution utilities in enabling market based deployment of distributed energy resources to promote load management and greater system efficiency, including peak load reductions. RG&E is participating in the initiative with other New York utilities and are providing their unique perspective. The NYPSC issued a 2015 order in Track 1, which acknowledges the utilities' role as a Distribution System Platform (DSP) provider, and required the utilities to file an initial Distribution System Implementation Plan (DSIP) by June 30, 2016, followed by bi-annual updates. The companies filed the initial DSIP, which also included information regarding the potential deployment of Automated Metering Infrastructure (AMI) across its entire service territory. The companies, in December 2016, filed a petition to the NYPSC requesting approval for cost recovery associated with the full deployment of AMI, and a collaborative associated with this petition began in the first quarter of 2017, was suspended in the second quarter of 2017, was resumed in the first quarter of 2018 and has been included in the companies' next rate filing. The companies also filed their first bi-annual update of the DSIP on July 31, 2018.

Other various proceedings have also been initiated by the NYPSC which are REV related, and each proceeding has its own schedule. These proceedings include the Clean Energy Standard, Value of Distributed Energy Resources (VDER) and Net Energy Metering, Demand Response Tariffs, and Community Choice Aggregation. As part of the Clean Energy Standard proceeding, all electric utilities were ordered to begin payments to New York State Energy Research and Development Authority (NYSERDA) for Renewable Energy Credits ("RECs") and Zero Emissions Credits beginning in 2017. A separate Offshore Wind was ordered by the NYPSC in July 2018.

Track 2 of the REV initiative is also underway, and through a DPS Staff whitepaper review process, is examining potential changes in current regulatory, tariff, market design and incentive structures which could better align utility interests with achieving New York state and NYPSC's policy objectives. New York utilities will also be addressing related regulatory issues in their individual rate cases. A Track 2 order was issued in May, 2016, and includes guidance related to the potential for Earnings Adjustment Mechanisms (EAMs), Platform Service Revenues, innovative rate designs, and data utilization and security. The companies, in December 2016, filed a proposal for the implementation of EAMs in the areas of System Efficiency, Energy Efficiency, Interconnections, and Clean Air. A collaborative process to review the companies' petition began in the first quarter of 2017 and was suspended in the third quarter of 2017. A proposal for EAMs has been included in the companies' May 20, 2019 rate filing.

In March, 2017, the NYPSC issued three separate REV-related orders. These orders created a series of filing requirements for NYSEG beginning in March 2017 and extending through the end of 2018. The three orders involve: 1) modifications to the electric utilities' proposed interconnection earnings adjustment mechanism framework; 2) further DSIP requirements, including confirmation of the filing of an updated DSIP plan by mid-2018 and implementing two energy storage projects at RG&E by the end of 2018; and 3) Net Energy Metering Transition including implementation of Phase One of the VDER. In September 2017, the NYPSC issued another order related to the VDER, requiring tariff filings, changes to Standard Interconnection Requirements, and planning for the implementation of automated consolidated billing. RG&E has participated with the other NY state electric utilities in jointly filing updates to the interconnection earnings adjustment mechanism, has implemented two energy storage projects, and has participated with the other NY state electric utilities in the VDER transition effort, including tariff updates and application of VDER principles.

The March 2017 Order in the VDER proceeding approved a transition from traditional Net Energy Metering (NEM) towards a more values-based approach (Value Stack) for compensating Distributed Energy Resources (DER). The March 2017 Order approved an interim methodology for more precise DER valuation and compensation for NEM-eligible technologies. The interim methodology approved by the NYPSC provides for a market transition consistent with the principles of gradualism and predictability, and established a tranche system to manage impacts on non-participants.

The March 2017 Order also directed a Phase Two of the VDER proceeding. Phase Two would encompass improvements to the interim methodology established in Phase One, seek to expand Value Stack eligibility to technologies not included in Phase One, and review rate designs for mass market (i.e., residential and small non-residential) on-site DERs whose project would be interconnected after January 1, 2020. Working groups were established for further discussions regarding Value Stack, Rate Design and Low Income. The working groups met toward the latter half of 2017 and all of 2018 to discuss, review and analyze several issues regarding each subject. The working groups culminated with a series of whitepapers developed by DPS Staff a) Standby and Buyback Service Rate Design, b) Future Value Stack Compensation, and c) Capacity Value Compensation. The whitepapers were submitted between December 12 and December 14, 2018 in the VDER proceeding. Public comments on the whitepapers were submitted by February 25, 2019.

On April 18, 2019, the Commission adopted the DPS Staff recommendations in the Future Value Stack Compensation and Capacity Value Compensation whitepapers, with modifications. The decisions in the Order impact the compensation provided to DERs with respect to distribution system value and installed capacity value. In addition, the Order establishes a new Community Credit in place of the Market Transition Credit for certain CDG projects in NYSEG's and RG&E's service territories, and expands eligibility for Phase One Net Metering for certain projects that have a rated capacity of 750 kW AC or lower. The decisions in the Order regarding changes to Value Stack compensation for DERs became effective on June 1, 2019. The April 18, 2019 Order also initiated a new proceeding to examine utilities' marginal cost of service studies. An initial meeting in that proceeding was held on June 28, 2019, during which the utilities explained their various marginal cost methodologies. DPS Staff will develop a whitepaper addressing the utilities' marginal cost studies with recommendations on how such studies shall be subsequently performed. To aid in the development of the whitepaper, Staff is requesting preliminary comments from stakeholders by November 25, 2019. At this time it is not known when the DPS Staff whitepaper on marginal cost methodologies will be issued.

An additional DPS Staff whitepaper on Rate Design for Mass Market On-Site DER projects interconnected after January 1, 2020 was scheduled to be submitted in the first quarter of 2019 but has been delayed and not yet been filed with the NYPSC. On April 15, 2019, DPS Staff hosted a meeting and indicated that further analysis will be needed regarding rate design for mass market on-site DER projects. A subsequent meeting was held on May 31, 2019. At this time it is not known when DPS Staff's further analysis will be completed, nor when the DPS Staff whitepaper on rate design will be submitted. The March 2017 Order stated that should a new compensation methodology not be in place by January 1, 2020, projects put into service after that date would receive NEM compensation only until the new compensation methodology is developed and implemented and would then be transferred to the new compensation methodology.

On May 16, 2019, the Commission issued an Order on Standby and Buyback Service and Establishing Optional Demand Rates. The Order expands the availability of demand rates based on standby service rate design principles by requiring utilities to file tariffs to provide opt-in eligibility for all customers, including mass market (i.e., residential), to a demand-based rate option, irrespective of whether customers have on-site DERs. The availability of existing standby rates was expanded to all current demand-billed customers on an optional basis beginning July 1, 2019. Optional standby rates for mass market customers will be made available in the near future. Utilities filed draft tariffs on September 23, 2019 as required, with further analysis and discussion regarding approval and implementation of the optional rates to occur in the Rate Design Working Group of the VDER proceeding. The NYPSC issued an order on Value Stack Compensation for High-Capacity-Factor Resources on December 12, 2019.

New York State Department of Public Service Investigation of the Preparation for and Response to the March 2017 Windstorm

On March 11, 2017, the New York State Department of Public Service (the Department) commenced an investigation of RG&E's preparation for and response to the March 2017 windstorm, which affected more than 219,000 customers at NYSEG and RG&E. The Department investigation included a comprehensive review of RG&E's preparation for and response to the windstorm, including all aspects of the companies' filed and approved emergency plan. The Department held public hearings on April 12 and 13, 2017.

On November 16, 2017, the NYPSC announced that the DPS Staff had completed their investigation into the March 2017 Windstorm and the NYPSC issued an Order Instituting Proceeding and to Show Cause. The DPS Staff's investigation found that RG&E had allegedly violated certain parts of its emergency response plan, which makes the Company subject to possible financial penalties. RG&E responded to the order in a timely manner and has conducted settlement discussions with the DPS Staff and other parties. These settlement discussions culminated with the filing of two Joint Proposals for settling the issues raised by the Department in May 2018, with several parties signing on to the Joint Proposals. These Joint Proposals have NYSEG and RG&E implementing a combined $3.9 million of storm resiliency and restoration projects which will not be paid for by ratepayers. The Joint Proposals were approved by the Commission in April 2019.

**New York State Department of Public Service Investigation of the Preparation for and Response to the March 2018 Winter Storms**

In March 2018, following two severe winter storms that impacted more than one million electric utility customers in New York, including 520,000 NYSEG and RG&E customers, the New York Department of Public Service (NYDPS) commenced a comprehensive investigation of the preparation and response to those events by New York's major electric utility companies. The investigation was expanded in the Spring of 2018 to include other 2018 New York Spring storm events.

On April 18, 2019, the NYDPS staff issued a report (the 2018 Staff Report) of the findings from their investigation. The 2018 Staff Report identifies 94 recommendations for corrective actions to be implemented in the utilities Emergency Response Plans (ERP). The report also identified potential violations by several of the utilities, including NYSEG and RG&E.

Also on April 18, 2019, the NYPSC issued an Order Instituting Proceeding and to Show Cause directed to all major electric utilities in New York, including NYSEG and RG&E. The order directs the utilities, including NYSEG and RG&E, to show cause why the NYPSC should not pursue civil penalties, and/or administrative penalties for the apparent failure to follow their respective ERPs as approved and mandated by the NYPSC. The NYPSC also directs the utilities, within 30 days, to address whether the NYPSC should mandate, reject or modify in whole or in part, the 94 recommendations contained in the 2018 Staff Report. On May 20, 2019, NYSEG and RG&E responded to the portion of the Order to Show Cause with respect to the recommendations contained in the 2018 Staff Report. The Commission granted the companies a series of extensions to respond to the portion of the Order to Show Cause with respect to why the Commission should not pursue a penalty action. A Petition requesting New York State Public Service Commission (NYPSC) approval of a joint settlement agreement was filed with the NYPSC on December 17, 2019. The joint settlement agreement allows the Companies to avoid litigation and provides for payment by the companies of penalty of $10.5 million ($9.0 million NYSEG and $1.5 million RG&E). The NYPSC issued an order in February 2020 accepting the terms of the joint settlement agreement.

**Tax Cuts and Jobs Act**

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the Tax Act) was signed into law. The Tax Act contains significant changes to the federal tax structure, including among other things, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017. The NYPSC has instituted proceedings in New York to review and address the implications associated with the Tax Act on the utilities providing service in state of New York. The Department of Public Service (DPS) Staff, on March 29, 2018, submitted a proposal to the NYPSC indicating that any companies which have not included the impacts from the Tax Act in a recent rate proceeding should submit a filing to initiate a surcredit beginning October 1, 2018 to pass back benefits to customers. The proposal invited all companies to comment on the proposal prior to June 29, 2018, and to include comments about alternative mechanisms to return the benefits to customers. RG&E has submitted comments in response to the DPS Staff proposal, identifying that it would be premature to begin a surcredit which could cause rate volatility when major expenditures may be forthcoming.

On August 9, 2018, the NYPSC issued an order in case 17-M-0815 and as part of that order instituted surcredits for RG&E customers beginning October 1, 2018. The surcredits include the annual 2018 tax expense savings for both electric and gas businesses, and include an amortization of previously deferred tax savings through September 30, 2018 for both businesses. The annual amount of the surcredits beginning October 1, 2018 for RG&E is approximately $29 million. The full effect of the Tax Cut Act is reflected in the rate case filings of May 20, 2019.

**Ginna Reliability Support Service Agreement**

Ginna Nuclear Power Plant, LLC (GNPP), which is a subsidiary of Constellation Energy Nuclear Group, LLC (CENG), owns and operates the R.E. Ginna Nuclear Power Plant (Ginna Facility and together with GNPP, Ginna), a 581 MW single-unit pressurized water reactor located in Ontario, New York. In May 2014, the New York Independent System Operator (NYISO) produced a Reliability Study, confirming that the Ginna Facility needs to remain in operation to avoid bulk transmission and non-bulk local distribution system reliability violations in 2015 and 2018. In July, 2014, GNPP filed a petition requesting that the NYPSC initiate a proceeding to examine a proposal for the continued operation of the Ginna Facility.

In November 2014, the NYPSC ruled that GNPP had demonstrated that the Ginna Facility is required to maintain system reliability and that its actions with respect to meeting the relevant retirement notice requirements were satisfactory. The NYPSC also accepted the findings of the 2014 Reliability Study and stated that it established "the reliability need for continued operation of the Ginna Facility that is the essential prerequisite to negotiating a Reliability Support Services Agreement (RSSA)." As such, the NYPSC ordered RG&E and GNPP to negotiate an RSSA.

On February 13, 2015, RG&E submitted to the NYPSC an executed RSSA between RG&E and GNPP. RG&E requested that the NYPSC accept the RSSA and approve cost recovery by RG&E from its customers of all amounts payable to GNPP under the RSSA utilizing the cost recovery surcharge mechanism.

On October 21, 2015, RG&E, GNPP, New York Department of Public Service, Utility Intervention Unit and Multiple Intervenors filed a Joint Proposal with the NYPSC for approval of the RSSA, as modified. On February 23, 2016, the NYPSC unanimously adopted the joint proposal, which provides for a term of the RSSA from April 1, 2015 through March 31, 2017 and RG&E monthly payments to Ginna in the amount of $15.4 million. In addition, RG&E is entitled to 70% of revenues from Ginna's sales into the NYISO energy and capacity markets, while Ginna is entitled to 30% of such revenues. The NYPSC also authorized RG&E to implement a rate surcharge effective January 1, 2016, to recover amounts paid to Ginna pursuant to the RSSA. The FERC issued an order authorizing the FERC Settlement agreement in the Settlement Docket on March 1, 2016, at which point the rate surcharge went into effect. RG&E used deferred rate credit amounts (regulatory liabilities) to offset the full amount of the Deferred Collection Amount (including carrying costs), plus credit amounts to offset all RSSA costs that exceed $2.3 million per month, not to exceed a total use of credits in the amount of

$110 million, applicable through June 30, 2017. The available credits were insufficient to satisfy the final payment amount from RG&E to Ginna, and consistent with the agreement with the NYPSC, the RSSA surcharge continues past March 31, 2017, to recover up to $2.3 million per month until the final payment has been recovered by RG&E from customers. RG&E has met all payment obligations associated with the RSSA. Accordingly, the surcharge is no longer in effect beginning August 1, 2019.

**Minimum Equity Requirements for Regulated Subsidiaries**

RG&E is subject to a minimum equity ratio requirement that is tied to the capital structure assumed in establishing revenue requirements. Pursuant to these requirements, RG&E must maintain a minimum equity ratio equal to the ratio in its currently effective rate plan or decision measured using a trailing 13-month average. On a monthly basis, RG&E must maintain a minimum equity ratio of no less than 300 basis points below the equity ratio used to set rates. The minimum equity ratio requirement has the effect of limiting the amount of dividends that may be paid and may, under certain circumstances, require that the parent contribute equity capital. RG&E is prohibited by regulation from lending to unregulated affiliates. RG&E has also agreed to minimum equity ratio requirements in certain short-term borrowing agreements. These requirements are lower than the regulatory requirements.

**Items 10-14:**
None

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

| Line No. | Title of Account (a) | Ref. Page No. (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|---|---|---|---|---|
| 1 | **UTILITY PLANT** | | | |
| 2 | Utility Plant (101-106, 114) | 200-201 | 3,972,301,026 | 3,701,896,869 |
| 3 | Construction Work in Progress (107) | 200-201 | 404,946,526 | 313,325,009 |
| 4 | TOTAL Utility Plant (Enter Total of lines 2 and 3) | | 4,377,247,552 | 4,015,221,878 |
| 5 | (Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115) | 200-201 | 1,247,387,623 | 1,184,235,892 |
| 6 | Net Utility Plant (Enter Total of line 4 less 5) | | 3,129,859,929 | 2,830,985,986 |
| 7 | Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1) | 202-203 | 0 | 0 |
| 8 | Nuclear Fuel Materials and Assemblies-Stock Account (120.2) | | 0 | 0 |
| 9 | Nuclear Fuel Assemblies in Reactor (120.3) | | 0 | 0 |
| 10 | Spent Nuclear Fuel (120.4) | | 0 | 0 |
| 11 | Nuclear Fuel Under Capital Leases (120.6) | | 0 | 0 |
| 12 | (Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5) | 202-203 | 0 | 0 |
| 13 | Net Nuclear Fuel (Enter Total of lines 7-11 less 12) | | 0 | 0 |
| 14 | Net Utility Plant (Enter Total of lines 6 and 13) | | 3,129,859,929 | 2,830,985,986 |
| 15 | Utility Plant Adjustments (116) | | 0 | 0 |
| 16 | Gas Stored Underground - Noncurrent (117) | | 0 | 0 |
| 17 | **OTHER PROPERTY AND INVESTMENTS** | | | |
| 18 | Nonutility Property (121) | | 4,477,070 | 4,477,070 |
| 19 | (Less) Accum. Prov. for Depr. and Amort. (122) | | 958,802 | 948,226 |
| 20 | Investments in Associated Companies (123) | | 0 | 0 |
| 21 | Investment in Subsidiary Companies (123.1) | 224-225 | 0 | 0 |
| 22 | (For Cost of Account 123.1, See Footnote Page 224, line 42) | | | |
| 23 | Noncurrent Portion of Allowances | 228-229 | 0 | 0 |
| 24 | Other Investments (124) | | 128,318 | 128,620 |
| 25 | Sinking Funds (125) | | 0 | 0 |
| 26 | Depreciation Fund (126) | | 0 | 0 |
| 27 | Amortization Fund - Federal (127) | | 0 | 0 |
| 28 | Other Special Funds (128) | | 184,481 | 2,662,444 |
| 29 | Special Funds (Non Major Only) (129) | | 0 | 0 |
| 30 | Long-Term Portion of Derivative Assets (175) | | 0 | 0 |
| 31 | Long-Term Portion of Derivative Assets – Hedges (176) | | 0 | 33,830 |
| 32 | TOTAL Other Property and Investments (Lines 18-21 and 23-31) | | 3,831,067 | 6,353,738 |
| 33 | **CURRENT AND ACCRUED ASSETS** | | | |
| 34 | Cash and Working Funds (Non-major Only) (130) | | 0 | 0 |
| 35 | Cash (131) | | 578,294 | 169,359 |
| 36 | Special Deposits (132-134) | | 0 | 0 |
| 37 | Working Fund (135) | | 312,664 | 302,780 |
| 38 | Temporary Cash Investments (136) | | 0 | 0 |
| 39 | Notes Receivable (141) | | 0 | 0 |
| 40 | Customer Accounts Receivable (142) | | 112,367,909 | 126,519,147 |
| 41 | Other Accounts Receivable (143) | | 36,756,748 | 10,425,756 |
| 42 | (Less) Accum. Prov. for Uncollectible Acct.-Credit (144) | | 24,092,737 | 23,791,348 |
| 43 | Notes Receivable from Associated Companies (145) | | 0 | 106,350,000 |
| 44 | Accounts Receivable from Assoc. Companies (146) | | 2,655,687 | 2,385,371 |
| 45 | Fuel Stock (151) | 227 | 0 | 0 |
| 46 | Fuel Stock Expenses Undistributed (152) | 227 | 0 | 0 |
| 47 | Residuals (Elec) and Extracted Products (153) | 227 | 0 | 0 |
| 48 | Plant Materials and Operating Supplies (154) | 227 | 12,213,549 | 11,827,757 |
| 49 | Merchandise (155) | 227 | 0 | 0 |
| 50 | Other Materials and Supplies (156) | 227 | 0 | 0 |
| 51 | Nuclear Materials Held for Sale (157) | 202-203/227 | 0 | 0 |
| 52 | Allowances (158.1 and 158.2) | 228-229 | 0 | -3,751 |
| | | | | |

## COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

| Line No. | Title of Account<br>(a) | Ref. Page No.<br>(b) | Current Year End of Quarter/Year Balance<br>(c) | Prior Year End Balance 12/31<br>(d) |
|---|---|---|---|---|
| 53 | (Less) Noncurrent Portion of Allowances | | 0 | 0 |
| 54 | Stores Expense Undistributed (163) | 227 | 0 | 0 |
| 55 | Gas Stored Underground - Current (164.1) | | 9,727,940 | 10,927,012 |
| 56 | Liquefied Natural Gas Stored and Held for Processing (164.2-164.3) | | 0 | 0 |
| 57 | Prepayments (165) | | 39,757,456 | 39,027,527 |
| 58 | Advances for Gas (166-167) | | 0 | 0 |
| 59 | Interest and Dividends Receivable (171) | | 0 | 288,741 |
| 60 | Rents Receivable (172) | | 0 | 0 |
| 61 | Accrued Utility Revenues (173) | | 53,778,187 | 62,256,222 |
| 62 | Miscellaneous Current and Accrued Assets (174) | | 4,423,623 | 2,660,908 |
| 63 | Derivative Instrument Assets (175) | | 0 | 0 |
| 64 | (Less) Long-Term Portion of Derivative Instrument Assets (175) | | 0 | 0 |
| 65 | Derivative Instrument Assets - Hedges (176) | | 0 | 1,717,258 |
| 66 | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176 | | 0 | 0 |
| 67 | Total Current and Accrued Assets (Lines 34 through 66) | | 248,479,320 | 351,062,739 |
| 68 | **DEFERRED DEBITS** | | | |
| 69 | Unamortized Debt Expenses (181) | | 7,156,514 | 11,006,345 |
| 70 | Extraordinary Property Losses (182.1) | 230a | 0 | 0 |
| 71 | Unrecovered Plant and Regulatory Study Costs (182.2) | 230b | 0 | 0 |
| 72 | Other Regulatory Assets (182.3) | 232 | 511,258,105 | 515,086,026 |
| 73 | Prelim. Survey and Investigation Charges (Electric) (183) | | 1,147,715 | 1,869,268 |
| 74 | Preliminary Natural Gas Survey and Investigation Charges 183.1) | | 0 | 0 |
| 75 | Other Preliminary Survey and Investigation Charges (183.2) | | 0 | 0 |
| 76 | Clearing Accounts (184) | | 179,587 | 208,008 |
| 77 | Temporary Facilities (185) | | 0 | 0 |
| 78 | Miscellaneous Deferred Debits (186) | 233 | 2,811,895 | 577,213 |
| 79 | Def. Losses from Disposition of Utility Plt. (187) | | 0 | 0 |
| 80 | Research, Devel. and Demonstration Expend. (188) | 352-353 | 0 | 0 |
| 81 | Unamortized Loss on Reaquired Debt (189) | | 5,451,333 | 6,069,768 |
| 82 | Accumulated Deferred Income Taxes (190) | 234 | 258,036,644 | 240,855,557 |
| 83 | Unrecovered Purchased Gas Costs (191) | | 0 | 0 |
| 84 | Total Deferred Debits (lines 69 through 83) | | 786,041,793 | 775,672,185 |
| 85 | TOTAL ASSETS (lines 14-16, 32, 67, and 84) | | 4,168,212,109 | 3,964,074,648 |

| Name of Respondent | This Report is: | Date of Report (mo, da, yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | end of 2019/Q4 |

## COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

| Line No. | Title of Account<br>(a) | Ref. Page No.<br>(b) | Current Year End of Quarter/Year Balance<br>(c) | Prior Year End Balance 12/31<br>(d) |
|---|---|---|---|---|
| 1 | PROPRIETARY CAPITAL | | | |
| 2 | Common Stock Issued (201) | 250-251 | 194,429,065 | 194,429,065 |
| 3 | Preferred Stock Issued (204) | 250-251 | 0 | 0 |
| 4 | Capital Stock Subscribed (202, 205) | | 0 | 0 |
| 5 | Stock Liability for Conversion (203, 206) | | 0 | 0 |
| 6 | Premium on Capital Stock (207) | | 519,192,263 | 594,192,263 |
| 7 | Other Paid-In Capital (208-211) | 253 | 100,869,358 | 25,869,358 |
| 8 | Installments Received on Capital Stock (212) | 252 | 0 | 0 |
| 9 | (Less) Discount on Capital Stock (213) | 254 | 0 | 0 |
| 10 | (Less) Capital Stock Expense (214) | 254b | 15,118,364 | 15,118,364 |
| 11 | Retained Earnings (215, 215.1, 216) | 118-119 | 462,500,924 | 359,002,697 |
| 12 | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119 | 0 | 0 |
| 13 | (Less) Reaquired Capital Stock (217) | 250-251 | 117,238,171 | 117,238,170 |
| 14 | Noncorporate Proprietorship (Non-major only) (218) | | 0 | 0 |
| 15 | Accumulated Other Comprehensive Income (219) | 122(a)(b) | -40,288,802 | -35,040,040 |
| 16 | Total Proprietary Capital (lines 2 through 15) | | 1,104,346,273 | 1,006,096,809 |
| 17 | LONG-TERM DEBT | | | |
| 18 | Bonds (221) | 256-257 | 1,052,400,000 | 1,052,400,000 |
| 19 | (Less) Reaquired Bonds (222) | 256-257 | 0 | 0 |
| 20 | Advances from Associated Companies (223) | 256-257 | 0 | 0 |
| 21 | Other Long-Term Debt (224) | 256-257 | 0 | 0 |
| 22 | Unamortized Premium on Long-Term Debt (225) | | 0 | 0 |
| 23 | (Less) Unamortized Discount on Long-Term Debt-Debit (226) | | 459,592 | 538,487 |
| 24 | Total Long-Term Debt (lines 18 through 23) | | 1,051,940,408 | 1,051,861,513 |
| 25 | OTHER NONCURRENT LIABILITIES | | | |
| 26 | Obligations Under Capital Leases - Noncurrent (227) | | 14,637,392 | 6,864,147 |
| 27 | Accumulated Provision for Property Insurance (228.1) | | 0 | 0 |
| 28 | Accumulated Provision for Injuries and Damages (228.2) | | 5,967,288 | 5,549,512 |
| 29 | Accumulated Provision for Pensions and Benefits (228.3) | | 152,392,990 | 169,887,956 |
| 30 | Accumulated Miscellaneous Operating Provisions (228.4) | | 261,411,855 | 257,506,734 |
| 31 | Accumulated Provision for Rate Refunds (229) | | 0 | 0 |
| 32 | Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 33 | Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 34 | Asset Retirement Obligations (230) | | 2,713,369 | 2,845,744 |
| 35 | Total Other Noncurrent Liabilities (lines 26 through 34) | | 437,122,894 | 442,654,093 |
| 36 | CURRENT AND ACCRUED LIABILITIES | | | |
| 37 | Notes Payable (231) | | 0 | 0 |
| 38 | Accounts Payable (232) | | 190,267,100 | 195,680,723 |
| 39 | Notes Payable to Associated Companies (233) | | 33,200,796 | 0 |
| 40 | Accounts Payable to Associated Companies (234) | | 12,201,313 | 42,732,643 |
| 41 | Customer Deposits (235) | | 5,167,892 | 4,471,043 |
| 42 | Taxes Accrued (236) | 262-263 | 867,066 | 1,208,907 |
| 43 | Interest Accrued (237) | | 9,754,926 | 13,427,623 |
| 44 | Dividends Declared (238) | | 0 | 0 |
| 45 | Matured Long-Term Debt (239) | | 0 | 0 |

| Name of Respondent | This Report is: | Date of Report (mo, da, yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | end of 2019/Q4 |

## COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(continued)

| Line No. | Title of Account<br>(a) | Ref. Page No.<br>(b) | Current Year End of Quarter/Year Balance<br>(c) | Prior Year End Balance 12/31<br>(d) |
|---|---|---|---|---|
| 46 | Matured Interest (240) | | 0 | 0 |
| 47 | Tax Collections Payable (241) | | 488,177 | 239,929 |
| 48 | Miscellaneous Current and Accrued Liabilities (242) | | 46,602,458 | 33,602,972 |
| 49 | Obligations Under Capital Leases-Current (243) | | 3,100,831 | 1,913,618 |
| 50 | Derivative Instrument Liabilities (244) | | 0 | 0 |
| 51 | (Less) Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 52 | Derivative Instrument Liabilities - Hedges (245) | | 71,627 | 327,029 |
| 53 | (Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges | | 0 | 0 |
| 54 | Total Current and Accrued Liabilities (lines 37 through 53) | | 301,722,186 | 293,604,487 |
| 55 | DEFERRED CREDITS | | | |
| 56 | Customer Advances for Construction (252) | | 7,134,060 | 4,526,239 |
| 57 | Accumulated Deferred Investment Tax Credits (255) | 266-267 | 0 | 0 |
| 58 | Deferred Gains from Disposition of Utility Plant (256) | | 0 | 0 |
| 59 | Other Deferred Credits (253) | 269 | 17,439,986 | 20,407,145 |
| 60 | Other Regulatory Liabilities (254) | 278 | 659,249,153 | 609,559,368 |
| 61 | Unamortized Gain on Reaquired Debt (257) | | 0 | 288,809 |
| 62 | Accum. Deferred Income Taxes-Accel. Amort.(281) | 272-277 | 0 | 0 |
| 63 | Accum. Deferred Income Taxes-Other Property (282) | | 452,478,996 | 458,071,952 |
| 64 | Accum. Deferred Income Taxes-Other (283) | | 136,778,153 | 77,004,233 |
| 65 | Total Deferred Credits (lines 56 through 64) | | 1,273,080,348 | 1,169,857,746 |
| 66 | TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65) | | 4,168,212,109 | 3,964,074,648 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## STATEMENT OF INCOME

Quarterly
1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable
5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

| Line No. | Title of Account (a) | (Ref.) Page No. (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current 3 Months Ended Quarterly Only No 4th Quarter (e) | Prior 3 Months Ended Quarterly Only No 4th Quarter (f) |
|---|---|---|---|---|---|---|
| 1 | UTILITY OPERATING INCOME | | | | | |
| 2 | Operating Revenues (400) | 300-301 | 895,682,790 | 936,707,171 | | |
| 3 | Operating Expenses | | | | | |
| 4 | Operation Expenses (401) | 320-323 | 433,114,715 | 490,231,958 | | |
| 5 | Maintenance Expenses (402) | 320-323 | 66,939,047 | 63,469,279 | | |
| 6 | Depreciation Expense (403) | 336-337 | 87,811,055 | 80,742,314 | | |
| 7 | Depreciation Expense for Asset Retirement Costs (403.1) | 336-337 | | | | |
| 8 | Amort. & Depl. of Utility Plant (404-405) | 336-337 | 4,044,946 | 3,006,793 | | |
| 9 | Amort. of Utility Plant Acq. Adj. (406) | 336-337 | | | | |
| 10 | Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407) | | | | | |
| 11 | Amort. of Conversion Expenses (407) | | | | | |
| 12 | Regulatory Debits (407.3) | | | | | |
| 13 | (Less) Regulatory Credits (407.4) | | | | | |
| 14 | Taxes Other Than Income Taxes (408.1) | 262-263 | 125,728,673 | 122,811,275 | | |
| 15 | Income Taxes - Federal (409.1) | 262-263 | -3,441,039 | 40,614,707 | | |
| 16 | - Other (409.1) | 262-263 | 5,837,688 | 1,185,033 | | |
| 17 | Provision for Deferred Income Taxes (410.1) | 234, 272-277 | 218,347,519 | 159,338,485 | | |
| 18 | (Less) Provision for Deferred Income Taxes-Cr. (411.1) | 234, 272-277 | 179,826,069 | 175,296,770 | | |
| 19 | Investment Tax Credit Adj. - Net (411.4) | 266 | | | | |
| 20 | (Less) Gains from Disp. of Utility Plant (411.6) | | | | | |
| 21 | Losses from Disp. of Utility Plant (411.7) | | | | | |
| 22 | (Less) Gains from Disposition of Allowances (411.8) | | | | | |
| 23 | Losses from Disposition of Allowances (411.9) | | | | | |
| 24 | Accretion Expense (411.10) | | | | | |
| 25 | TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24) | | 758,556,535 | 786,103,074 | | |
| 26 | Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27 | | 137,126,255 | 150,604,097 | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

| ELECTRIC UTILITY | | GAS UTILITY | | OTHER UTILITY | | |
|---|---|---|---|---|---|---|
| Current Year to Date (in dollars) (g) | Previous Year to Date (in dollars) (h) | Current Year to Date (in dollars) (i) | Previous Year to Date (in dollars) (j) | Current Year to Date (in dollars) (k) | Previous Year to Date (in dollars) (l) | Line No. |
| | | | | | | 1 |
| 603,886,207 | 630,614,729 | 291,796,583 | 306,092,442 | | | 2 |
| | | | | | | 3 |
| 250,178,914 | 292,904,074 | 182,935,801 | 197,327,884 | | | 4 |
| 60,959,822 | 57,360,071 | 5,979,225 | 6,109,208 | | | 5 |
| 63,332,274 | 58,182,598 | 24,478,781 | 22,559,716 | | | 6 |
| | | | | | | 7 |
| 2,879,498 | 2,136,266 | 1,165,448 | 870,527 | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| 92,254,942 | 90,009,655 | 33,473,731 | 32,801,620 | | | 14 |
| 1,319,794 | 39,716,741 | -4,760,833 | 897,966 | | | 15 |
| 10,708,681 | 1,856,207 | -4,870,993 | -671,174 | | | 16 |
| 191,601,312 | 113,566,348 | 26,746,207 | 45,772,137 | | | 17 |
| 173,554,925 | 136,750,859 | 6,271,144 | 38,545,911 | | | 18 |
| | | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| 499,680,312 | 518,981,101 | 258,876,223 | 267,121,973 | | | 25 |
| 104,205,895 | 111,633,628 | 32,920,360 | 38,970,469 | | | 26 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original (2) [ ] A Resubmission | / / | End of 2019/Q4 |

STATEMENT OF INCOME FOR THE YEAR (continued)

| Line No. | Title of Account (a) | (Ref.) Page No. (b) | TOTAL Current Year (c) | TOTAL Previous Year (d) | Current 3 Months Ended Quarterly Only No 4th Quarter (e) | Prior 3 Months Ended Quarterly Only No 4th Quarter (f) |
|---|---|---|---|---|---|---|
| 27 | Net Utility Operating Income (Carried forward from page 114) | | 137,126,255 | 150,604,097 | | |
| 28 | Other Income and Deductions | | | | | |
| 29 | Other Income | | | | | |
| 30 | Nonutilty Operating Income | | | | | |
| 31 | Revenues From Merchandising, Jobbing and Contract Work (415) | | | | | |
| 32 | (Less) Costs and Exp. of Merchandising, Job. & Contract Work (416) | | | | | |
| 33 | Revenues From Nonutility Operations (417) | | | | | |
| 34 | (Less) Expenses of Nonutility Operations (417.1) | | | | | |
| 35 | Nonoperating Rental Income (418) | | -10,576 | -10,576 | | |
| 36 | Equity in Earnings of Subsidiary Companies (418.1) | 119 | | | | |
| 37 | Interest and Dividend Income (419) | | 1,036,719 | 1,819,939 | | |
| 38 | Allowance for Other Funds Used During Construction (419.1) | | 15,878,830 | 11,532,842 | | |
| 39 | Miscellaneous Nonoperating Income (421) | | 6,736,439 | 7,196,828 | | |
| 40 | Gain on Disposition of Property (421.1) | | 8,762 | | | |
| 41 | TOTAL Other Income (Enter Total of lines 31 thru 40) | | 23,650,174 | 20,539,033 | | |
| 42 | Other Income Deductions | | | | | |
| 43 | Loss on Disposition of Property (421.2) | | 54,508 | 10 | | |
| 44 | Miscellaneous Amortization (425) | | | | | |
| 45 | Donations (426.1) | | 260,500 | 425,500 | | |
| 46 | Life Insurance (426.2) | | | | | |
| 47 | Penalties (426.3) | | 1,650,000 | 21,934 | | |
| 48 | Exp. for Certain Civic, Political & Related Activities (426.4) | | 419,675 | 82,191 | | |
| 49 | Other Deductions (426.5) | | 61,362 | 62,716 | | |
| 50 | TOTAL Other Income Deductions (Total of lines 43 thru 49) | | 2,446,045 | 592,351 | | |
| 51 | Taxes Applic. to Other Income and Deductions | | | | | |
| 52 | Taxes Other Than Income Taxes (408.2) | 262-263 | 113,209 | 109,018 | | |
| 53 | Income Taxes-Federal (409.2) | 262-263 | -2,637,834 | 1,402,530 | | |
| 54 | Income Taxes-Other (409.2) | 262-263 | -873,232 | 464,295 | | |
| 55 | Provision for Deferred Inc. Taxes (410.2) | 234, 272-277 | 5,938,058 | 3,171,532 | | |
| 56 | (Less) Provision for Deferred Income Taxes-Cr. (411.2) | 234, 272-277 | 9,991,274 | 157,464 | | |
| 57 | Investment Tax Credit Adj.-Net (411.5) | | | | | |
| 58 | (Less) Investment Tax Credits (420) | | | | | |
| 59 | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58) | | -7,451,073 | 4,989,911 | | |
| 60 | Net Other Income and Deductions (Total of lines 41, 50, 59) | | 28,655,202 | 14,956,771 | | |
| 61 | Interest Charges | | | | | |
| 62 | Interest on Long-Term Debt (427) | | 61,007,313 | 61,591,049 | | |
| 63 | Amort. of Debt Disc. and Expense (428) | | 623,676 | 1,471,823 | | |
| 64 | Amortization of Loss on Reaquired Debt (428.1) | | 465,107 | 419,161 | | |
| 65 | (Less) Amort. of Premium on Debt-Credit (429) | | | | | |
| 66 | (Less) Amortization of Gain on Reaquired Debt-Credit (429.1) | | 21,393 | 21,393 | | |
| 67 | Interest on Debt to Assoc. Companies (430) | | 251,030 | 15,012 | | |
| 68 | Other Interest Expense (431) | | 20,165,398 | 16,476,227 | | |
| 69 | (Less) Allowance for Borrowed Funds Used During Construction-Cr. (432) | | 11,564,786 | 8,519,858 | | |
| 70 | Net Interest Charges (Total of lines 62 thru 69) | | 70,926,345 | 71,432,021 | | |
| 71 | Income Before Extraordinary Items (Total of lines 27, 60 and 70) | | 94,855,112 | 94,128,847 | | |
| 72 | Extraordinary Items | | | | | |
| 73 | Extraordinary Income (434) | | | | | |
| 74 | (Less) Extraordinary Deductions (435) | | | | | |
| 75 | Net Extraordinary Items (Total of line 73 less line 74) | | | | | |
| 76 | Income Taxes-Federal and Other (409.3) | 262-263 | | | | |
| 77 | Extraordinary Items After Taxes (line 75 less line 76) | | | | | |
| 78 | Net Income (Total of line 71 and 77) | | 94,855,112 | 94,128,847 | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a) | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|---|---|---|---|---|
| | UNAPPROPRIATED RETAINED EARNINGS (Account 216) | | | |
| 1 | Balance-Beginning of Period | | 358,766,710 | 304,583,532 |
| 2 | Changes | | | |
| 3 | Adjustments to Retained Earnings (Account 439) | | | |
| 4 | | | | |
| 5 | Adoption of New Accounting Standards | | 8,643,115 | 54,331 |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Credits to Retained Earnings (Acct. 439) | | 8,643,115 | 54,331 |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | TOTAL Debits to Retained Earnings (Acct. 439) | | | |
| 16 | Balance Transferred from Income (Account 433 less Account 418.1) | | 94,855,112 | 94,128,847 |
| 17 | Appropriations of Retained Earnings (Acct. 436) | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | TOTAL Appropriations of Retained Earnings (Acct. 436) | | | |
| 23 | Dividends Declared-Preferred Stock (Account 437) | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | TOTAL Dividends Declared-Preferred Stock (Acct. 437) | | | |
| 30 | Dividends Declared-Common Stock (Account 438) | | | |
| 31 | | 238 | | ( 40,000,000) |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | TOTAL Dividends Declared-Common Stock (Acct. 438) | | | ( 40,000,000) |
| 37 | Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings | | | |
| 38 | Balance - End of Period (Total 1,9,15,16,22,29,36,37) | | 462,264,937 | 358,766,710 |
| | APPROPRIATED RETAINED EARNINGS (Account 215) | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a) | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|---|---|---|---|---|
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |
| 43 | | | | |
| 44 | | | | |
| 45 | TOTAL Appropriated Retained Earnings (Account 215) | | | |
| | APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1) | | | |
| 46 | TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1) | | 235,987 | 235,987 |
| 47 | TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46) | | 235,987 | 235,987 |
| 48 | TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1) | | 462,500,924 | 359,002,697 |
| | UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account | | | |
| | Report only on an Annual Basis, no Quarterly | | | |
| 49 | Balance-Beginning of Year (Debit or Credit) | | | |
| 50 | Equity in Earnings for Year (Credit) (Account 418.1) | | | |
| 51 | (Less) Dividends Received (Debit) | | | |
| 52 | | | | |
| 53 | Balance-End of Year (Total lines 49 thru 52) | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes)<br>(a) | Current Year to Date Quarter/Year<br>(b) | Previous Year to Date Quarter/Year<br>(c) |
|---|---|---|---|
| 1 | Net Cash Flow from Operating Activities: | | |
| 2 | Net Income (Line 78(c) on page 117) | 94,855,112 | 94,128,847 |
| 3 | Noncash Charges (Credits) to Income: | | |
| 4 | Depreciation and Depletion | 87,811,055 | 81,791,531 |
| 5 | Amortization of Regulatory Assets & Liabilities | 2,374,312 | 11,164,798 |
| 6 | Amortization and Depletion Utility Plant | 4,044,946 | 2,952,489 |
| 7 | Amortization of Other Assets & Liabilities | 440,307 | 1,571,662 |
| 8 | Deferred Income Taxes (Net) | 34,468,236 | -12,944,217 |
| 9 | Investment Tax Credit Adjustment (Net) | | |
| 10 | Net (Increase) Decrease in Receivables | -5,144,619 | 5,369,306 |
| 11 | Net (Increase) Decrease in Inventory | 809,530 | -2,444,033 |
| 12 | Net (Increase) Decrease in Allowances Inventory | | |
| 13 | Net Increase (Decrease) in Payables and Accrued Expenses | -26,081,117 | 34,334,688 |
| 14 | Net (Increase) Decrease in Other Regulatory Assets | -32,269,526 | 1,540,287 |
| 15 | Net Increase (Decrease) in Other Regulatory Liabilities | 58,775,749 | 48,968,566 |
| 16 | (Less) Allowance for Other Funds Used During Construction | 15,878,830 | 11,532,842 |
| 17 | (Less) Undistributed Earnings from Subsidiary Companies | | |
| 18 | Other (provide details in footnote): | -8,728,437 | 2,112,382 |
| 19 | Pension Expense | 13,127,426 | 25,794,000 |
| 20 | Carrying Cost of Regulatory Assets & Liabilities | 7,394,045 | 5,932,344 |
| 21 | | | |
| 22 | Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21) | 215,998,189 | 288,739,808 |
| 23 | | | |
| 24 | Cash Flows from Investment Activities: | | |
| 25 | Construction and Acquisition of Plant (including land): | | |
| 26 | Gross Additions to Utility Plant (less nuclear fuel) | -374,676,685 | -281,091,736 |
| 27 | Gross Additions to Nuclear Fuel | | |
| 28 | Gross Additions to Common Utility Plant | | |
| 29 | Gross Additions to Nonutility Plant | | |
| 30 | (Less) Allowance for Other Funds Used During Construction | -15,878,830 | -11,532,842 |
| 31 | Other (provide details in footnote): | | |
| 32 | | | |
| 33 | | | |
| 34 | Cash Outflows for Plant (Total of lines 26 thru 33) | -358,797,855 | -269,558,894 |
| 35 | | | |
| 36 | Acquisition of Other Noncurrent Assets (d) | | |
| 37 | Proceeds from Disposal of Noncurrent Assets (d) | | |
| 38 | | | |
| 39 | Investments in and Advances to Assoc. and Subsidiary Companies | | |
| 40 | Contributions and Advances from Assoc. and Subsidiary Companies | | |
| 41 | Disposition of Investments in (and Advances to) | | |
| 42 | Associated and Subsidiary Companies | | |
| 43 | | | |
| 44 | Purchase of Investment Securities (a) | | |
| 45 | Proceeds from Sales of Investment Securities (a) | | |
| | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes)<br>(a) | Current Year to Date Quarter/Year<br>(b) | Previous Year to Date Quarter/Year<br>(c) |
|---|---|---|---|
| 46 | Loans Made or Purchased | | |
| 47 | Collections on Loans | | |
| 48 | | | |
| 49 | Net (Increase) Decrease in Receivables | | |
| 50 | Net (Increase ) Decrease in Inventory | | |
| 51 | Net (Increase) Decrease in Allowances Held for Speculation | | |
| 52 | Net Increase (Decrease) in Payables and Accrued Expenses | | |
| 53 | Other (provide details in footnote): Rabbi Trust | 2,472,652 | |
| 54 | Notes Receivable from Associated Companies | 106,350,000 | -66,622,679 |
| 55 | | | |
| 56 | Net Cash Provided by (Used in) Investing Activities | | |
| 57 | Total of lines 34 thru 55) | -249,975,203 | -336,181,573 |
| 58 | | | |
| 59 | Cash Flows from Financing Activities: | | |
| 60 | Proceeds from Issuance of: | | |
| 61 | Long-Term Debt (b) | 153,454,248 | 151,030,685 |
| 62 | Preferred Stock | | |
| 63 | Common Stock | | |
| 64 | Other (provide details in footnote): | | |
| 65 | Debt Issuance Costs | | -453,655 |
| 66 | Net Increase in Short-Term Debt (c) | | |
| 67 | Other (provide details in footnote): | | |
| 68 | Repayment of Short Term Debt Affiliates | 33,200,796 | |
| 69 | | | |
| 70 | Cash Provided by Outside Sources (Total 61 thru 69) | 186,655,044 | 150,577,030 |
| 71 | | | |
| 72 | Payments for Retirement of: | | |
| 73 | Long-term Debt (b) | -150,000,000 | -62,150,000 |
| 74 | Preferred Stock | | |
| 75 | Common Stock | | |
| 76 | Other (provide details in footnote): Obligations under Capital Leases | -2,259,211 | -1,434,371 |
| 77 | | | |
| 78 | Net Decrease in Short-Term Debt (c) | | |
| 79 | | | |
| 80 | Dividends on Preferred Stock | | |
| 81 | Dividends on Common Stock | | -40,000,000 |
| 82 | Net Cash Provided by (Used in) Financing Activities | | |
| 83 | (Total of lines 70 thru 81) | 34,395,833 | 46,992,659 |
| 84 | | | |
| 85 | Net Increase (Decrease) in Cash and Cash Equivalents | | |
| 86 | (Total of lines 22,57 and 83) | 418,819 | -449,106 |
| 87 | | | |
| 88 | Cash and Cash Equivalents at Beginning of Period | 472,139 | 921,245 |
| 89 | | | |
| 90 | Cash and Cash Equivalents at End of period | 890,958 | 472,139 |
| | | | |

***Schedule Page: 120 Line No.: 18 Column: b***

| | |
|---|---|
| Other Net Utility Plant | 6,173,752 |
| Misc Deferred Debits | (2,200,511) |
| Other Special Funds | 5,312 |
| Provisions for Injuries and Damages | 417,776 |
| Other Post Retirement Benefits | (17,494,966) |
| Environmental Provision | 3,905,121 |
| Customer Advances for Construction | 2,607,820 |
| Adoption of New Accounting Standards: OCI | 8,643,115 |
| Other Deferred Credits | (5,496,218) |
| Accumulated Other Comprehensive Income | (4,303,170) |
| Prepayments | (729,930) |
| Debt Issuance Costs | (3,454,248) |
| Other | 3,197,710 |
| | (8,728,437) |

***Schedule Page: 120 Line No.: 18 Column: c***

| | |
|---|---|
| Other Net Utility Plant | 2,322,159 |
| Other Special Funds | 1,118,042 |
| Provisions for Injuries and Damages | (323,304) |
| Other Post Retirement Benefits | (16,033,830) |
| Environmental Provision | 2,309,049 |
| Customer Advances for Construction | 3,896,234 |
| Other Deferred Credits | 2,551,698 |
| Accumulated Other Comprehensive Income | 6,151,304 |
| Other | 121,030 |
| | 2,112,382 |

***Schedule Page: 120 Line No.: 90 Column: b***

Cash and Cash Equivalents at the end of the period consisted of:

| | |
|---|---|
| Cash (131) | 578,294 |
| Working Funds (135) | 312,664 |
| | 890,958 |

***Schedule Page: 120 Line No.: 90 Column: c***

Cash and Cash Equivalents at the end of the period consisted of:

| | |
|---|---|
| Cash (131) | 169,359 |
| Working Funds (135) | 302,780 |
| | 472,139 |

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Cormmission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

**As permitted by the FERC, for the 2019 FERC Form No. 1, the Notes to Financial Statements set forth below are principally from the Respondent's audited December 31, 2019 GAAP Financial Statements, which was filed with the New York Independent System Operator (NYISO), Pennsylvania Jersey Maryland Independent System Operator (PJM), and ISO New England, and with its lenders of its Revolving Credit Agreement and its other debt obligation indentures.**

***Financial statements***: The accompanying financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which constitutes a comprehensive basis of accounting other than principles generally accepted in the United States of America. As required by the FERC, the Respondent accounts for investments in majority-owned subsidiaries on the equity method.

The primary differences consist of the following:

(a) Intercompany accounts are presented on a gross basis for FERC reporting but are netted together by counterparty for U.S. GAAP reporting.
(b) For FERC reporting, regulatory assets and liabilities are presented on a gross basis and are classified as non-current. For U.S. GAAP reporting, regulatory assets and liabilities are presented on a net basis where appropriate and are classified as current or long-term as applicable.
(c) The accumulated amounts collected in rates for cost of removal over spending are included within accumulated depreciation for FERC reporting, but are presented as a regulatory liability for U.S. GAAP reporting.
(d) All debt is classified as long-term in the balance sheet for FERC reporting. Under U.S. GAAP, the presentation reflects current and long-term debt separately.
(e) For FERC reporting, the debt issuance costs related to term loans are presented in the balance sheets within deferred charges and other assets. Under U.S. GAAP, this is presented in the balance sheets as a direct deduction from the carrying value of debt.
(f) For FERC reporting, the liability for uncertain tax positions related to temporary differences is not recognized pursuant to FERC guidance and deferred taxes are recognized based on the difference between positions taken in filed tax returns and amounts reported in the financial statements. For U.S. GAAP reporting, the liability for uncertain tax positions related to temporary differences is recognized and deferred taxes are recognized based on the difference between the positions taken in filed tax returns adjusted for uncertain tax positions related to temporary differences and amounts reported in the financial statements.
(g) For FERC reporting, deferred tax assets and liabilities are presented on a gross basis. For U.S. GAAP reporting, deferred tax assets and liabilities are presented on a net basis.
(h) For FERC reporting, net periodic benefit cost for non-service component is presented in operations expense account 926 employee pensions and benefits. For U.S. GAAP reporting the non-service component is presented in other income and deductions.

## Note 1. Significant Accounting Policies

***Background and nature of operations:*** Rochester Gas and Electric Corporation's (RG&E, the company, we, our, us), conducts regulated electricity transmission, distribution, and generation operations and regulated natural gas transportation and distribution operations in western New York. RG&E generates electricity from hydroelectric stations. RG&E serves approximately 383,600 electricity and 317,700 natural gas customers as of December 31, 2019, in its service territory of approximately 2,700 square miles. The service territory contains a substantial suburban area and a large agricultural area in parts of nine counties including and surrounding the city of Rochester, New York with a population of approximately one million people. We operate under the authority of the New York State Public Service Commission (NYPSC) and are also subject to regulation by the Federal Energy Regulatory Commission (FERC).

RG&E is a subsidiary of Avangrid Networks, Inc. (Networks), which is a wholly-owned subsidiary of Avangrid, Inc. (AGR), which is an 81.5% owned subsidiary of Iberdrola, S.A. (Iberdrola), a corporation organized under the laws of the Kingdom of Spain.

***Basis of presentation:*** The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP).

We consider the following policies to be the most significant in understanding the judgments that are involved in preparing our financial statements:

***Revenue recognition*:** We recognize revenues when we transfer control of promised goods or services to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Refer to Note 4 for further details.

***Regulatory accounting*:** We account for our regulated operations in accordance with the authoritative guidance applicable to entities with regulated operations that meet the following criteria: (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing regulated services or products and; (iii) there is a reasonable expectation that rates are set at levels that will recover the entity's costs and be collected from customers. Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through regulated rates. Regulatory liabilities represent: (i) the excess recovery of costs or accrued credits that have been deferred because it is probable such amounts will be returned to customers through future regulated rates; or (ii) billings in advance of expenditures for approved regulatory programs.

Regulatory assets and liabilities are amortized and the related expense or revenue is recognized in the statements of income consistent with the recovery or refund included in customer rates. We believe it is probable that our currently recorded regulatory assets and liabilities will be recovered or settled in future rates.

***Utility plant*:** Utility plant is accounted for at historical cost. In cases where we are required to dismantle installations or to recondition the site on which they are located, we record the estimated cost of removal or reconditioning as an asset retirement obligation (ARO) and an equal amount is added to the carrying amount of the asset.

Development and construction of our various facilities are carried out in stages. Project costs are expensed during early stage development activities. Once we achieve certain development milestones and it is probable that we can obtain future economic benefits from a project, we capitalize salaries and wages for persons directly involved in the project, and engineering, permits, licenses, wind measurement and insurance costs. We periodically review development projects in construction for any indications of impairment.

Assets are transferred from “Construction work in progress” to “Utility plant” when they are available for service.

We determine depreciation expense for utility plant in service using the straight-line method, based on the average service lives of groups of depreciable property, which include estimated cost of removal. Consistent with FERC accounting requirements, we charge the original cost of utility plant retired or otherwise disposed to accumulated depreciation.

Our composite rate for depreciation was 2.4% of average depreciable property for 2019 and 2018. We amortize our capitalized software cost which is included in common plant, using the straight line method, based on useful lives of 7 to 25 years. Capitalized software costs were approximately $128.6 million as of December 31, 2019 and $123.9 million as of December 31, 2018. Depreciation expense was $91.0 million in 2019 and $81.8 million in 2018. Amortization of capitalized software was $3.7 million in 2019 and $3.0 million in 2018.

We charge repairs and minor replacements to operation and maintenance expense, and capitalize renewals and betterments, including certain indirect costs.

Allowance for funds used during construction (AFUDC) represents the allowed cost of capital, including a return on equity (ROE), used to finance construction projects. We record the portion of AFUDC attributable to borrowed funds as a reduction of interest expense and the portion attributable to equity as other income. AFUDC attributable to equity is a non-cash item.

Our balances of major classes of utility plant and associated useful lives are shown below as of December 31.

| **Utility Plant** | **Estimated useful life range (years)** | **2019** | **2018** |
|---|---|---|---|
| **(Thousands)** | | | |
| Electric | 29-75 | $ 2,587,615 | $ 2,441,300 |
| Natural Gas | 30-80 | 993,590 | 911,350 |
| Common | 6-50 | 375,543 | 358,476 |
| Utility plant at original cost | | **3,956,748** | **3,711,126** |
| Less accumulated depreciation | | (1,060,419) | (1,008,290) |
| **Net Utility Plant in Service** | | **2,896,329** | **2,702,836** |
| Construction work in progress | | 406,367 | 312,111 |
| **Total Utility Plant** | | $ **3,302,696** | $ **3,014,947** |

Electric plant includes capital leases of $14.9 million in 2019 and $13.7 million in 2018. Accumulated depreciation related to these leases was $5.6 million in 2019 and $3.3 million in 2018.

***Leases:*** We determine if an arrangement is a lease at inception. We classify a lease as a finance lease if it meets any one of specified criteria that in essence transfers ownership of the underlying asset to us by the end of the lease term. If a lease does not meet any of those criteria, we classify it as an operating lease. On our balance sheets, we include, for operating leases: "Operating lease right-of-use assets" and "Operating lease liabilities (current and non-current)"; and for finance leases: finance lease ROU assets in "Other assets" and liabilities in "Other current liabilities" and "Other liabilities."

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. We recognize lease ROU assets and liabilities at commencement of an arrangement based on the present value of lease payments over the lease term. Most of our leases do not provide an implicit rate, so we use our incremental borrowing rate based on information available at the lease commencement date to determine the present value of future payments. A lease ROU asset also includes any lease payments made at or before commencement date, minus any lease incentives received, and includes initial direct costs incurred. We do not record leases with an initial term of 12 months or less on the balance sheet, for all classes of underlying assets, and we recognize lease expense for those leases on a straight-line basis over the lease term. We include variable lease payments that depend on an index or a rate in the ROU asset and lease liability measurement based on the index or rate at the commencement date, or upon a modification. We do not include variable lease payments that do not depend on an index or a rate in the ROU asset and lease liability measurement. A lease term includes options to extend or terminate the lease when it is reasonably certain that we will exercise that option. We recognize lease (rent) expense for operating lease payments on a straight-line basis over the lease term, or we recognize the amount eligible for recovery under our rate plan, such as actual amounts paid. We amortize finance lease ROU assets on a straight-line basis over the lease term and recognize interest expense based on the outstanding lease liability.

We have lease agreements with lease and non-lease components, and account for lease components and associated nonlease components together as a single lease component, for all classes of underlying assets.

***Impairment of long-lived assets:*** We evaluate utility plant and other long-lived assets for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment evaluation is based on an undiscounted cash flow analysis at the lowest level to which cash flows of the long-lived assets or asset groups are largely independent of the cash flows of other assets and liabilities. An impairment loss is required to be recognized if the carrying amount of the asset exceeds the undiscounted future net cash flows associated with that asset.

The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value, or is the result of a disallowance by the regulator. Depending on the asset, fair value may be determined by use of a discounted cash flow model, with assumptions consistent with a market participant's view of the exit price of the asset.

***Fair value measurement*:** Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in either the principal market for the asset or liability, or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset according to its highest and best use, or by selling it to another market participant that would use the asset according to its highest and best use.

We use valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the transparency of input to the valuation of an asset or liability as of the measurement date.

The three input levels of the fair value hierarchy are as follows:

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability either directly or indirectly, for substantially the full term of the contract.
- Level 3 - one or more inputs to the valuation methodology are unobservable or cannot be corroborated with market data.

Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Certain investments are not categorized within the fair value hierarchy. These investments are measured based on the fair value of the underlying investments but may not be readily redeemable at that fair value.

***Equity investments with readily determinable fair values:*** We measure equity investments with readily determinable fair values at fair value, with changes in fair value reported in net income.

***Derivatives and hedge accounting*:** Derivatives are recognized on the balance sheets at their fair value, except for certain electricity commodity purchases and sales contracts for both capacity and energy (physical contracts) that qualify for, and are elected under, the normal purchases and normal sales exception. To be a derivative under the accounting standards for derivatives and hedging, an agreement would need to have a notional and an underlying, require little or no initial net investment and could be net settled. We recognize changes in the fair value of a derivative contract in earnings unless specific hedge accounting criteria are met.

Derivatives that qualify and are designated for hedge accounting are classified as cash flow hedges. We report the gain or loss on the derivative instrument as a component of Other Comprehensive Income (OCI) and later reclassify amounts into earnings when the underlying transaction occurs. For all designated and qualifying hedges, we maintain formal documentation of the hedge and effectiveness testing in accordance with the accounting standards for derivatives and hedging. If we determine that the derivative is no longer highly effective as a hedge, we will discontinue hedge accounting prospectively. For cash flow hedges of forecasted transactions, we estimate the future cash flows of the forecasted transactions and evaluate the probability of the occurrence and timing of such transactions. If we determine it is probable that the forecasted transaction will not occur, we immediately recognize in earnings hedge gains and losses previously recorded in OCI.

Changes in conditions or the occurrence of unforeseen events could require discontinuance of the hedge accounting or could affect the timing of the reclassification of gains or losses on cash flow hedges from OCI into earnings. We record changes in the fair value of electric and natural gas hedge contracts to derivative assets or liabilities with an offset to regulatory assets or regulatory liabilities.

We offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral arising from derivative instruments executed with the same counterparty under a master netting arrangement.

***Cash and cash equivalents***: Cash and cash equivalents include cash, bank accounts, and other highly liquid short-term investments. We consider all highly liquid investments with a maturity date of three months or less when acquired to be cash equivalents and include those investments in “Cash and cash equivalents.” We classify book overdrafts representing outstanding checks in excess of funds on deposit as “Accounts payable and accrued liabilities” on our balance sheets. Changes in book overdrafts are reported in the operating activities section of our statements of cash flows.

***Statements of cash flows:*** Supplemental disclosure of cash flow information is as follows:

| | | 2019 | | 2018 |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| **Cash paid during the year ended December 31:** | | | | |
| Interest, net of amounts capitalized | $ | 46,111 | $ | 35,763 |
| Income taxes paid, net | $ | 27,509 | $ | 28,669 |

Of the income taxes paid, substantially all was paid to AGR under the tax sharing agreement. Interest capitalized was $11.6 million in 2019 and $20.1 million in 2018. Accrued liabilities for utility plant additions were $33.9 million in 2019 and $27.0 million in 2018.

***Broker margin accounts:*** We maintain accounts with clearing firms that require initial margin deposits upon the establishment of new positions, primarily related to natural gas and electricity derivatives, as well as maintenance margin deposits in the event of unfavorable movements in market valuation for those positions. We show the amount reflecting those activities as broker margin accounts on our balance sheets.

***Accounts receivable and unbilled revenues, net:*** We record accounts receivable at amounts billed to customers. Accounts receivable at December 31 include unbilled revenues of $53.8 million for 2019 and $62.3 million for 2018, and are shown net of an allowance for doubtful accounts at December 31 of $25.0 million for 2019 and $24.0 million for 2018. Accounts receivable do not bear interest, although late fees may be assessed. Bad debt expense was $15.0 million in 2019 and $14.7 million in 2018.

Unbilled revenues represent estimates of receivables for energy provided but not yet billed. The estimates are determined based on various assumptions, including current month energy load requirements, billing rates by customer class and delivery loss factors. Changes in those assumptions could significantly affect the estimated amounts of unbilled revenues.

The allowance for doubtful accounts is our best estimate of the amount of probable credit losses in our existing accounts receivable, determined based on experience for each service region. Each month we review our allowance for doubtful accounts and past due accounts by age. When we believe that a receivable will not be recovered, we charge off the account balance against the allowance. Changes in assumptions about input factors and customer receivables, which are inherently uncertain and susceptible to change from period to period, could significantly affect the allowance for doubtful accounts estimates.

Our accounts receivable include amounts due under deferred payment arrangements (DPAs). When a residential customer becomes delinquent in making payments, the NYPSC requires us to allow the customer to enter into a DPA to settle the account balance. A DPA allows the account balance to be paid in installments without interest over an extended period of time, which generally exceeds one year, by negotiating mutually acceptable payment terms. Generally, we must continue to serve a customer who cannot pay an account balance in full if the customer: (i) pays a reasonable portion of the balance; (ii) agrees to pay the balance in installments; and (iii) agrees to pay future bills within 30 days until the DPA is paid in full or is otherwise considered to be delinquent. We establish provisions for uncollectible accounts by using both historical average loss percentages to project future losses, and by establishing specific provisions for known credit issues. Amounts are written off when reasonable collection efforts have been exhausted. The allowance for doubtful accounts for DPAs at December 31 was $15.0 million in 2019 and $14.4 million in 2018. DPA receivable balances at December 31 were $23.0 million in 2019 and $23.3 million in 2018.

***Debentures, bonds and bank borrowings:*** Bonds, debentures and bank borrowings are recorded as a liability equal to the proceeds of the borrowings. The difference between the proceeds and the face amount of the issued liability is treated as discount or premium and is accreted as interest expense or income over the life of the instrument. Incremental costs associated with issuance of the debt instruments are deferred and amortized over the same period as debt discount or premium. Bonds, debentures and bank borrowings are presented net of unamortized discount, premium and debt issuance costs on our balance sheets.

***Inventory:*** Inventory comprises fuel and natural gas in storage and materials and supplies. We own natural gas that is stored in third-party owned underground storage facilities. This gas is recorded as inventory. Injections of inventory into storage are priced at the market purchase cost at the time of injection, and withdrawals of working gas from storage are priced at the weighted-average cost in storage. We continuously monitor the weighted-average cost of gas value to ensure it remains at the lower of cost and net realizable value. Inventories to support gas operations are reported on our balance sheet within "Fuel and gas in storage."

We also have materials and supplies inventories that are used for construction of new facilities and repairs of existing facilities. These inventories are carried and withdrawn at the lower of cost and net realizable value and reported on our balance sheets within "Materials and supplies." Inventory items are combined for the statement of cash flow presentation purposes.

***Government grants***: We record government grants as a reduction to utility plant to be recovered through rate base, in accordance with the prescribed FERC accounting.

In accounting for government grants related to operating and maintenance costs, we recognize amounts receivable as an offset to expenses in the statements of income in the period in which the expenses are incurred.

***Deferred income:*** Apart from government grants, we occasionally receive revenues from transactions in advance of the resulting performance obligations arising from the transaction. It is our policy to defer such revenues on our balance sheets and amortize them to earnings when revenue recognition criteria are met.

***Asset retirement obligations*:** We record the fair value of the liability for an asset retirement obligation (ARO) and a conditional ARO in the period in which it is incurred, capitalizing the cost by increasing the carrying amount of the related long-lived asset. We adjust the liability periodically to reflect revisions to either the timing or amount of the original estimated undiscounted cash flows over time. We accrete the liability to its present value each period and depreciate the capitalized cost over the useful life of the related asset. Upon settlement we will either settle the obligation at its recorded amount or incur a gain or a loss. We defer any timing differences between rate recovery and depreciation expense and accretion as either a regulatory asset or a regulatory liability.

The term conditional ARO refers to an entity's legal obligation to perform an asset retirement activity in which the timing or method of settlement are conditional on a future event that may or may not be within the entity's control. If an entity has sufficient information to reasonably estimate the fair value of the liability for a conditional ARO, it must recognize that liability at the time the liability is incurred.

Our ARO at December 31, including our conditional ARO, was $2.7 million for 2019 and $2.8 million for 2018. The ARO is associated with our long-lived assets and primarily consists of obligations related to removal or retirement of: asbestos, polychlorinated biphenyl contaminated equipment, gas pipeline and cast iron gas mains.

The following table reconciles the beginning and ending aggregate carrying amount of the ARO for the years ended December 31, 2019 and 2018.

| **Years Ended December 31,** | **2019** | **2018** |
|---|---|---|
| **(Thousands)** | | |
| ARO, beginning of year | $ 2,846 | $ 3,214 |
| Liabilities settled during the year | (283) | (244) |
| (Decrease) increase to provision | — | (279) |
| Accretion expense | 150 | 155 |
| **ARO, end of year** | **$ 2,713** | **$ 2,846** |

We have AROs for which we have not recognized a liability because the fair value cannot be reasonably estimated due to indeterminate settlement dates, including: the removal of hydroelectric dams due to structural inadequacy or for decommissioning; the removal of property upon termination of an easement, right-of-way or franchise; and costs for abandonment of certain types of gas mains.

***Accrued removal obligations*:** We meet the requirements concerning accounting for regulated operations and recognize a regulatory liability for the difference between removal costs collected in rates and actual costs incurred. We classify those amounts as accrued removal obligations.

***Environmental remediation liability*:** In recording our liabilities for environmental remediation costs the amount of liability for a site is the best estimate, when determinable; otherwise it is based on the minimum liability or the lower end of the range when there is a range of estimated losses. We record our environmental liabilities on an undiscounted basis. Our environmental liability accruals are expected to be paid through the year 2057.

***Post-employment and other employee benefits:*** We sponsor defined benefit pension plans that cover the majority of our employees. We also provide health care and life insurance benefits through various postretirement plans for eligible retirees.

We evaluate our actuarial assumptions on an annual basis and consider changes based on market conditions and other factors. All of our qualified defined benefit plans are funded in amounts calculated by independent actuaries, based on actuarial assumptions proposed by management.

We account for defined benefit pension or other postretirement plans, recognizing an asset or liability for the overfunded or underfunded plan status. For a pension plan, the asset or liability is the difference between the fair value of the plan's assets and the projected benefit obligation. For any other postretirement benefit plan, the asset or liability is the difference between the fair value of the plan's assets and the accumulated postretirement benefit obligation. We reflect all unrecognized prior service costs and credits and unrecognized actuarial gains and losses as regulatory assets rather than in OCI, as management believes it is probable that such items will be recoverable through the ratemaking process. We use a December 31st measurement date for our benefits plans.

We amortize prior service costs for both the pension and other postretirement benefits plans on a straight-line basis over the average remaining service period of participants expected to receive benefits. We amortize unrecognized actuarial gains and losses related to the pension and other postretirement benefits plans over 10 years from the time they are incurred as required by the NYPSC. Our policy for the pension plans is to calculate the expected return on plan assets using the market-related value of assets. Our policy for the postretirement health care benefit plans is to calculate the expected return on plan assets using the market-related value of assets. We determine that value by recognizing the difference between actual returns and expected returns over a five year period.

***Income tax:*** AGR, the parent company of Networks, files consolidated federal and state income tax returns including all of the activities of its subsidiaries. Each subsidiary company is treated as a member of the consolidated group and determines its current and deferred taxes based on the separate return with benefits for loss method. As a member, RG&E settles its current tax liability or benefit each year directly with AGR pursuant to a tax allocation agreement between AGR and its members.

The aggregate amount of the related party income tax receivable balance due from AGR at December 31 is $30.2 million for 2019 and $1.6 million for 2018.

We use the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities reflect the expected future tax consequences, based on enacted tax laws, of temporary differences between the tax basis of assets and liabilities and their financial reporting amounts. In accordance with generally accepted accounting principles for regulated industries, we have established a regulatory asset for the net revenue requirements to be recovered from customers for the related future tax expense associated with certain of these temporary differences. We defer the investment tax credits when earned and amortize them over the estimated lives of the related assets. We also recognize the income tax consequences of intra-entity transfers of assets other than inventory when the transfer occurs.

Deferred tax assets and liabilities are measured at the expected tax rate for the period in which the asset or liability will be realized or settled, based on legislation enacted as of the balance sheet date. We charge or credit changes in deferred income tax assets and liabilities that are associated with components of OCI directly to OCI. Significant judgment is required in determining income tax provisions and evaluating tax positions. Our tax positions are evaluated under a more-likely-than-not recognition threshold before they are

recognized for financial reporting purposes. Valuation allowances are recorded to reduce deferred tax assets when it is not more likely than not that we will realize all or a portion of a tax benefit. Deferred tax assets and liabilities are classified as non-current in the balance sheets.
Positions taken or expected to be taken on tax returns, including the decision to exclude certain income or transactions from a return, are recognized in the financial statements when it is more likely than not the tax position can be sustained based solely on the technical merits of the position. The amount of a tax return position that is not recognized in the financial statements is disclosed as an unrecognized tax benefit. Changes in assumptions on tax benefits may also impact interest expense or interest income and may result in the recognition of tax penalties. Interest and penalties related to unrecognized tax benefits are recorded within “Interest expense, net of capitalization” and “Other Income” and “Other Deductions” in the statements of income.

Uncertain tax positions have been classified as non-current unless expected to be paid within one year. Our policy is to recognize interest and penalties on uncertain tax positions as a component of interest expense in the statements of income.

Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management’s best assessment of estimated current and future taxes to be paid. Significant judgments and estimates are required in determining the consolidated income tax components of the financial statements.

***Limited voting junior preferred stock:*** We have a class of preferred stock having one share and a par value of $1, which is issued and outstanding and has voting authority only with respect to whether RG&E may file a voluntary bankruptcy petition.

***Stock-based compensation:*** Stock-based compensation represents costs related to AGR stock-based awards granted to RG&E employees. We account for stock-based payment transactions based on the estimated fair value of awards reflecting forfeitures when they occur. The recognition period for these costs begins at either the applicable service inception date or grant date and continues throughout the requisite service period, or until the employee becomes retirement eligible, if earlier.

**Adoption of New Accounting Pronouncements**

Although we are not a public business entity, our parent company is a public business entity; therefore, we adopt new accounting standards based on the effective date for public entities as permitted.

**(a) Leases**

In February 2016 the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) Topic 842, Leases, with subsequent amendments issued in 2018. The new leases guidance affects all companies and organizations that lease assets, and requires them to record on their balance sheet ROU assets and lease liabilities for the rights and obligations created by those leases. Under ASC 842, a lease is an arrangement that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The new guidance retains a distinction between finance leases and operating leases, while requiring companies to recognize both types of leases on their balance sheet. The classification criteria for distinguishing between finance leases and operating leases are substantially similar to the criteria for distinguishing between capital leases and operating leases in legacy U.S. GAAP – ASC 840. Lessor accounting remains substantially the same as ASC 840, but with some targeted improvements to align lessor accounting with the lessee accounting model and with the revised revenue recognition guidance under ASC 606. The new standard and amendments require new qualitative and quantitative disclosures for both lessees and lessors.

We adopted ASC 842 effective January 1, 2019, and elected the optional transition method under which we initially applied the standard on that date without adjusting amounts for prior periods, which we continue to present in accordance with ASC 840, including related disclosures. We recorded the cumulative effect of applying the new leases guidance as an adjustment to beginning retained earnings. In connection with our adoption, we:

- did not elect the package of three practical expedients available under the transition provisions which would have allowed us to not reassess: (i) whether expired or existing contracts were or contained leases, (ii) the lease classification for expired or existing leases, and (iii) whether previously capitalized initial direct costs for existing leases would qualify for capitalization under ASC 842.
- elected the land easement practical expedient and did not reassess land easements that did not meet the definition of a lease prior to adoption.
- used hindsight for determining the lease term and assessing the likelihood that a lease purchase option will be exercised in applying the new leases guidance.
- did not separate lease and associated non-lease components for transitioned leases, but instead are accounting for them together as a single lease component.

In March 2019 the FASB issued additional amendments to ASC 842 for minor codification improvements, which we applied effective January 1, 2019, with no material effect to our results of operations, financial position and cash flows.

The cumulative effects of the changes to our condensed balance sheet as of January 1, 2019, were as follows:

| | Balance at December 31, 2018 | Adjustments Due to ASC 842 | Balance at January 1, 2019 |
|---|---|---|---|
| (Thousands) | | | |
| **Assets** | | | |
| Total Property, Plant and Equipment | 3,014,947 | (10,721) | 3,004,226 |
| Operating lease right-of-use assets | — | 11,085 | 11,085 |
| Other assets | 2,032 | 10,721 | 12,753 |
| **Liabilities** | | | |

| | | | |
|---|---|---|---|
| Current portion of debt | 150,532 | (1,914) | 148,618 |
| Operating lease liabilities, current | — | 1,291 | 1,291 |
| Other current liabilities | 43,885 | 1,914 | 45,799 |
| Operating lease liabilities, long-term | — | 9,790 | 9,790 |
| Other non-current liabilities | 68,610 | 6,864 | 75,474 |
| Non-current debt | 898,652 | (6,864) | 891,788 |
| **Equity** | | | |
| Retained earnings | 359,003 | — | 359,003 |

Our adoption did not change the classification of lease-related expenses in our statements of income, and we do not expect significant changes to our pattern of expense recognition. Certain contracts previously classified as lessor leases, consisting mainly of pole rental agreements, no longer meet the definition of a lease under ASC 842. As such, these contracts are accounted for under other U.S. GAAP, but there were no changes to our pattern of revenue recognition. As a result, we expect our adoption will not materially affect our cash flows. Our accounting for finance (formerly capital) leases is substantially unchanged. Refer to Note 8 for further details.

**(b) Targeted improvements to accounting for hedging activities**

In August 2017 the FASB issued targeted amendments with the objective to better align hedge accounting with an entity's risk management activities in the financial statements, and to simplify the application of hedge accounting. The amendments address concerns of financial statement preparers over difficulties with applying hedge accounting and limitations for hedging both nonfinancial and financial risks and concerns of financial statement users over how hedging activities are reported in financial statements. The amended presentation and disclosure guidance is required only prospectively. Changes to the hedge accounting guidance to address those concerns will: 1) expand hedge accounting for nonfinancial and financial risk components and amend measurement methodologies to more closely align hedge accounting with an entity's risk management activities; 2) eliminate the separate measurement and reporting of hedge ineffectiveness, to reduce the complexity of preparing and understanding hedge results; 3) enhance disclosures and change the presentation of hedge results to align the effects of the hedging instrument and the hedged item in order to enhance transparency, comparability and understandability of hedge results; and 4) simplify the way assessments of hedge effectiveness may be performed to reduce the cost and complexity of applying hedge accounting. The amendments ease the administrative burden of hedge documentation requirements and assessing hedge effectiveness going forward. We adopted the hedge accounting amendments on January 1, 2019, and had no cumulative-effect adjustment to retained earnings because there were no amounts of ineffectiveness recorded for any existing hedges as of that date. Concurrently with the above targeted improvements, we adopted the additional amendments the FASB issued in October 2018 that permit use of the Overnight Index Swap rate based on the Secured Overnight Financing Rate as a U.S. benchmark interest rate for hedge accounting purposes. Use of that rate is in addition to the already eligible benchmark interest rates, which are: interest rates on direct Treasury obligations of the U.S. government, the London Interbank

Offered Rate swap rate, the OIS Rate based on the Fed Funds Effective Rate and the Securities Industry and Financial Markets Association Municipal Swap Rate.

**(c) Reclassification of certain tax effects from accumulated other comprehensive income**

In February 2018 the FASB issued amendments to address a financial reporting issue that arose as a consequence of the Tax Cuts and Jobs Act of 2017 (the Tax Act) that the U.S. federal government enacted on December 22, 2017. Under previous guidance, an entity was required to include the adjustment of deferred taxes for the effect of a change in tax laws or rates in income from continuing operations, thus the associated tax effects of items within AOCI (referred to as stranded tax effects) did not reflect the appropriate tax rate. The amendments allow a reclassification from AOCI to retained earnings to eliminate the stranded tax effects resulting from the Tax Act. The amendments only relate to the reclassification of the income tax effects of the Tax Act, and do not affect the underlying guidance that requires the effect of a change in tax laws or rates to be included in income from continuing operations. We adopted the amendments effective January 1, 2019, and elected to reclassify the stranded tax effects of the Tax Act from AOCI to retained earnings at the beginning of the period of adoption. As a result, we reclassified approximately $8.6 million from AOCI to retained earnings within our statements of changes in equity.

**Accounting Pronouncements Issued But Not Yet Adopted**

The following are new accounting pronouncements not yet adopted that we have evaluated or are evaluating to determine their effect on our financial statements.

**(a) Measurement of credit losses on financial instruments, amendments and updates**

The FASB issued an accounting standards update in June 2016 that requires more timely recording of credit losses on loans and other financial instruments. The amendments affect entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income (loans, debt securities, trade receivables, net investments in leases, off-balance sheet credit exposures, etc.). They require an entity to present a financial asset (or group of financial assets) that is measured at amortized cost basis at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. The income statement reflects the measurement of credit losses for newly recognized financial assets, as well as the expected increases or decreases of expected credit losses that have taken place during the period. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectibility of the reported amount. An entity must use judgment in determining the relevant information and estimation methods appropriate in its circumstances. The FASB subsequently issued various updates to this new guidance to clarify transition and scope requirements, make narrow-scope codification improvements and corrections, and provide targeted transition relief. The new guidance, including the subsequent amendments, is effective for public entities that are SEC filers for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Entities are to apply the amendments on a modified retrospective basis for most instruments.

Our implementation plan and steps included: evaluating financial assets within scope; documenting related technical accounting issues, policy considerations and financial reporting implications; and identifying changes to processes and controls to ensure all aspects of the new guidance were effectively addressed. Our adoption of the guidance on January 1, 2020, including our transition adjustment, will not materially affect our results of operations, financial position and cash flows.

**(b) Changes to the disclosure requirements for fair value measurement and defined benefit plans**

In August 2018, the FASB issued amendments related to disclosure requirements for both fair value measurement and defined benefit plans. The amendments concerning fair value measurement remove, modify and add certain disclosure requirements, in order to improve the overall usefulness of the disclosures and reduce unnecessary costs to companies to prepare the disclosures. The amendments to fair value measurement disclosures are effective for all entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted as specified. Certain amendments are to be applied prospectively, and all others are to be applied retrospectively. Our adoption of the amendments on January 1, 2020, will not materially affect our disclosures.

The amendments concerning disclosure requirements for defined benefit plans are narrow in scope and apply to all employers that sponsor defined benefit pension or other postretirement plans. They remove disclosures that are no longer considered cost beneficial, add certain new relevant disclosures and clarify specific requirements of disclosures concerning information for defined benefit pension plans. The amendments to defined benefit plan disclosures are effective for fiscal years ending after December 15, 2020. Early adoption is permitted and application is to be on a retrospective basis. Our adoption of the amendments on January 1, 2020, will not materially affect our disclosures.

**(c) Simplifying the accounting for income taxes**

In December 2019, the FASB issued an accounting standards update that is intended to reduce complexity in accounting for income taxes. The amendments remove specific exceptions to the general principles in ASC 740, Income Taxes, eliminating the need for an entity to analyze whether the following apply in a given period: (1) exception to the incremental approach for intra-period tax allocation, (2) exceptions to accounting for basis differences when there are ownership changes in foreign investments and (3) exception in interim period income tax accounting for year-to-date losses that exceed anticipated losses. The amendments also improve financial statement preparers' application of income-tax related guidance and simplify U. S. GAAP for (1) franchise taxes that are partially based on income, (2) transactions with a government that result in a step up in the tax basis of goodwill, (3) separate financial statements of legal entities that are not subject to tax and (4) enacted changes in tax laws in interim periods. The amendments are effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted, including adoption in any interim period for which financial statements have not been issued, with adoption of all amendments in the same period. Application is on a retrospective and/or modified retrospective basis, or a prospective basis, depending on the amendment aspect. We expect our adoption will not materially affect our consolidated results of operations, financial position, and cash flows.

***Use of estimates and assumptions:*** The preparation of our financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant estimates and assumptions are used for, but not limited to: (1) allowance for doubtful accounts and unbilled revenues; (2) asset impairments; (3) depreciable lives of assets; (4) income tax valuation allowances; (5) uncertain tax positions; (6) reserves for professional, workers' compensation, and comprehensive general insurance liability risks; (7) contingency and litigation reserves; (8) earnings sharing mechanism (ESM); (9) environmental remediation liabilities; (10) pension and other postretirement employee benefits (OPEB); (11) fair value measurements and (12) AROs. Future events and their effects cannot be predicted with certainty; accordingly, our accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of our financial statements will change as new events occur, as more experience is acquired, as additional information is obtained, and as our operating environment changes. We evaluate and update our assumptions and estimates on an ongoing basis and may employ outside specialists to assist in our evaluations, as considered necessary. Actual results could differ from those estimates.

***Union collective bargaining agreements:*** Approximately 50% of our employees are covered by a collective bargaining agreement. We have no agreements that will expire within the coming year.

## Note 2. Industry Regulation

### Electricity and Natural Gas Distribution

Our revenues are regulated, being based on tariffs established in accordance with administrative procedures set by the New York State Public Service commission (NYPSC). The tariffs are applied to regulated activities and are approved by the NYPSC and are based on the cost of providing service. Our revenues are set to be sufficient to cover all operating costs, including energy costs, finance costs, and the costs of equity, the last of which reflects our capital ratio and a reasonable return on equity (ROE).

Energy costs that are set on the New York wholesale markets are passed on to consumers. The difference between energy costs that are budgeted and those that are actually incurred by the utilities is offset by applying reconciliation procedures that result in either immediate or deferred tariff adjustments. Reconciliation procedures apply to other costs, which are in many cases exceptional, such as the effects of extreme weather conditions, environmental factors, regulatory and accounting changes, and treatment of vulnerable customers. Revenues that allow us to exceed target returns, usually the result of better than expected cost efficiency, are generally shared with our customers, resulting in future tariff reductions.

**RG&E Rate Plan**

On May 20, 2015, RG&E filed electric and gas rate cases with the NYPSC. We requested a rate increase for RG&E gas. RG&E electric proposed a rate decrease.

On February 19, 2016, RG&E and New York State Electric & Gas Corporation (NYSEG) (together, "the companies") and other signatory parties filed a Joint Proposal (Proposal) with the NYPSC for a three-year rate plan for electric and gas service at RG&E commencing May 1, 2016. The Proposal, which was approved by the NYPSC on June 15, 2016, balanced the varied interests of the signatory parties including but not limited to maintaining the companies' credit quality and mitigating the rate impacts to customers. The Proposal reflects many customer benefits including: acceleration of the companies' natural gas leak prone main replacement programs and increased funding for electric vegetation management to provide continued safe and reliable service. The delivery rate increase in the Proposal can be summarized as follows:

| | May 1, 2016 | | May 1, 2017 | | May 1, 2018 | |
|---|---|---|---|---|---|---|
| | Rate Increase (Millions) | Delivery Rate Increase % | Rate Increase (Millions) | Delivery Rate Increase % | Rate Increase (Millions) | Delivery Rate Increase % |
| **Electric** | $3.0 | 0.7% | $21.6 | 5.0% | $25.9 | 5.7% |
| **Gas** | $8.8 | 5.2% | $7.7 | 4.4% | $9.5 | 5.2% |

The allowed rate of return on common equity for RG&E Electric and RG&E Gas is 9.00%. The equity ratio for each company is 48%; however, the equity ratio is set at the actual up to 50% for earnings sharing calculation purposes. The customer share of any earnings above allowed levels increases as the ROE increases, with customers receiving 50%, 75% and 90% of earnings over 9.5%, 10.0% and 10.5% of ROE, respectively, in the first rate year covering the period May 1, 2016 – April 30, 2017. The earnings sharing levels increase in rate year two (May 1, 2017 – April 30, 2018) to 9.65%, 10.15% and 10.65% ROE, respectively. The earnings sharing levels further increase in rate year three (May 1, 2018 – April 30, 2019) to 9.75%, 10.25% and 10.75% ROE, respectively. The rate plans also include the implementation of a rate adjustment mechanism ("RAM") designed to return or collect certain defined reconciled revenues and costs, implementation of new depreciation rates, and continuation of the existing Revenue Decoupling Mechanism ("RDM") for each business.

The Proposal continues reserve accounting for qualifying Major Storms ($2.5 million annually for RG&E Electric). Incremental maintenance costs incurred to restore service in qualifying divisions will be chargeable to the Major Storm Reserve provided they meet certain thresholds for each storm event.

The Proposal maintains current electric reliability performance measures (and associated potential negative revenue adjustments for failing to meet established performance levels) which include the system average interruption frequency index (SAIFI) and the customer average interruption duration index (CAIDI). The Proposal also modifies certain gas safety performance measures at the companies, including those relating to the replacement of leak prone main, leak backlog management, emergency response, and damage prevention. The Proposal establishes threshold performance levels for designated aspects of customer service quality and continues and expands RG&E's bill reduction and arrears forgiveness Low Income Programs with increased funding levels included in the Proposal. Reforming the Energy Vision (REV) related incremental costs and fees will be included in the RAM to the extent cost recovery is not provided for elsewhere. Under the Proposal, the Company will implement the RAM, which will be applicable to all customers, to return or collect RAM Eligible Deferrals and Costs, including: (1) property taxes; (2) Major Storm deferral balances; (3) gas leak prone pipe replacement; and (4) REV costs and fees which are not covered by other recovery mechanisms.

The Proposal provides for partial or full reconciliation of certain expenses including, but not limited to: pensions, pension and other postretirement benefits; property taxes; variable rate debt and new fixed rate debt; gas research and development; environmental remediation costs; Major Storms; nuclear electric insurance limited credits; economic development; and Low Income Programs. The Proposal also includes a downward-only Net Plant reconciliation. In addition, the Proposal includes downward-only reconciliations for the costs of: electric distribution and gas vegetation management; pipeline integrity; and other incremental maintenance programs. The Proposal provides that we continue the electric RDMs on a total revenue per class basis and the gas RDMs on a revenue per customer basis.

On May 20, 2019, RG&E filed rate cases requesting increases in delivery revenues for both its electric and gas businesses. Other parties to the rate cases filed direct testimony on September 20, 2019, and RG&E filed rebuttal testimony on October 15. The Administrative Law Judges in the cases agreed to an extension of the litigation schedule to allow the Company, the Department of Public Service Staff ("DPS Staff"), and other parties to enter into settlement discussions, which are ongoing. The Company expects a Commission order in these rate cases in the second quarter of 2020.

**Reforming the Energy Vision (REV)**

In April 2014, the NYPSC commenced a proceeding entitled REV, which is a wide ranging initiative to reform New York State's energy industry and regulatory practices. REV has been divided into two tracks, Track 1 for Market Design and Technology, and Track 2 for Regulatory Reform. REV and its related proceedings have and will continue to propose regulatory changes that are intended to promote more efficient use of energy, deeper penetration of renewable energy resources such as wind and solar and wider deployment of distributed energy resources, such as micro grids, on-site power supplies and storage.

REV is also intended to promote greater use of advanced energy management products to enhance demand elasticity and efficiencies. Track 1 of this initiative involves a collaborative process to examine the role of distribution utilities in enabling market based deployment of distributed energy resources to promote load management and greater system efficiency, including peak load reductions. RG&E is participating in the initiative with other New York utilities and are providing their unique perspective. The NYPSC issued a 2015 order in Track 1, which acknowledges the utilities' role as a Distribution System Platform (DSP) provider, and required the utilities to file an initial Distribution System Implementation Plan (DSIP) by June 30, 2016, followed by bi-annual updates. The companies filed the initial DSIP, which also included information regarding the potential deployment of Automated Metering Infrastructure (AMI) across its entire service territory. The companies, in December 2016, filed a petition to the NYPSC requesting approval for cost recovery associated with the full deployment of AMI, and a collaborative associated with this petition began in the first quarter of 2017, was suspended in the second quarter of 2017, was resumed in the first quarter of 2018 and has been included in the companies' next rate filing. The companies also filed their first bi-annual update of the DSIP on July 31, 2018.

Other various proceedings have also been initiated by the NYPSC which are REV related, and each proceeding has its own schedule. These proceedings include the Clean Energy Standard, Value of Distributed Energy Resources (VDER) and Net Energy Metering, Demand Response Tariffs, and Community Choice Aggregation. As part of the Clean Energy Standard proceeding, all electric utilities were ordered to begin payments to New York State Energy Research and Development Authority (NYSERDA) for Renewable Energy Credits ("RECs") and Zero Emissions Credits beginning in 2017. A separate Offshore Wind was ordered by the NYPSC in July 2018.

Track 2 of the REV initiative is also underway, and through a DPS Staff whitepaper review process, is examining potential changes in current regulatory, tariff, market design and incentive structures which could better align utility interests with achieving New York state and NYPSC's policy objectives. New York utilities will also be addressing related regulatory issues in their individual rate cases. A Track 2 order was issued in May, 2016, and includes guidance related to the potential for Earnings Adjustment Mechanisms (EAMs), Platform Service Revenues, innovative rate designs, and data utilization and security. The companies, in December 2016, filed a proposal for the implementation of EAMs in the areas of System Efficiency, Energy Efficiency, Interconnections, and Clean Air. A collaborative process to review the companies' petition began in the first quarter of 2017 and was suspended in the third quarter of 2017. A proposal for EAMs has been included in the companies' May 20, 2019 rate filing.

In March, 2017, the NYPSC issued three separate REV-related orders. These orders created a series of filing requirements for NYSEG beginning in March 2017 and extending through the end of 2018. The three orders involve: 1) modifications to the electric utilities' proposed interconnection earnings adjustment mechanism framework; 2) further DSIP requirements, including confirmation of the filing of an updated DSIP plan by mid-2018 and implementing two energy storage projects at RG&E by the end of 2018; and 3) Net Energy Metering Transition including implementation of Phase One of the VDER. In September 2017, the NYPSC issued another order related to the VDER, requiring tariff filings, changes to Standard Interconnection Requirements, and planning for the implementation of automated consolidated billing. RG&E has participated with the other NY state electric utilities in jointly filing updates to the interconnection earnings adjustment mechanism, has implemented two energy storage projects, and has participated with the other NY state electric utilities in the VDER transition effort, including tariff updates and application of VDER principles.

The March 2017 Order in the VDER proceeding approved a transition from traditional Net Energy Metering (NEM) towards a more values-based approach (Value Stack) for compensating Distributed Energy Resources (DER). The March 2017 Order approved an interim methodology for more precise DER valuation and compensation for NEM-eligible technologies. The interim methodology approved by the NYPSC provides for a market transition consistent with the principles of gradualism and predictability, and established a tranche system to manage impacts on non-participants.

The March 2017 Order also directed a Phase Two of the VDER proceeding. Phase Two would encompass improvements to the interim methodology established in Phase One, seek to expand Value Stack eligibility to technologies not included in Phase One, and review rate designs for mass market (i.e., residential and small non-residential) on-site DERs whose project would be interconnected after January 1, 2020. Working groups were established for further discussions regarding Value Stack, Rate Design and Low Income. The working groups met toward the latter half of 2017 and all of 2018 to discuss, review and analyze several issues regarding each subject. The working groups culminated with a series of whitepapers developed by DPS Staff a) Standby and Buyback Service Rate Design, b) Future Value Stack Compensation, and c) Capacity Value Compensation. The whitepapers were submitted between December 12 and December 14, 2018 in the VDER proceeding. Public comments on the whitepapers were submitted by February 25, 2019.

On April 18, 2019, the Commission adopted the DPS Staff recommendations in the Future Value Stack Compensation and Capacity Value Compensation whitepapers, with modifications. The decisions in the Order impact the compensation provided to DERs with respect to distribution system value and installed capacity value. In addition, the Order establishes a new Community Credit in place of the Market Transition Credit for certain CDG projects in NYSEG's and RG&E's service territories, and expands eligibility for Phase One Net Metering for certain projects that have a rated capacity of 750 kW AC or lower. The decisions in the Order regarding changes to Value Stack compensation for DERs became effective on June 1, 2019. The April 18, 2019 Order also initiated a new proceeding to examine utilities' marginal cost of service studies. An initial meeting in that proceeding was held on June 28, 2019, during which the utilities explained their various marginal cost methodologies. DPS Staff will develop a whitepaper addressing the utilities' marginal cost studies with recommendations on how such studies shall be subsequently performed. To aid in the development of the whitepaper, Staff is requesting preliminary comments from stakeholders by November 25, 2019. At this time it is not known when the DPS Staff whitepaper on marginal cost methodologies will be issued.

An additional DPS Staff whitepaper on Rate Design for Mass Market On-Site DER projects interconnected after January 1, 2020 was scheduled to be submitted in the first quarter of 2019 but has been delayed and not yet been filed with the NYPSC. On April 15, 2019, DPS Staff hosted a meeting and indicated that further analysis will be needed regarding rate design for mass market on-site DER projects. A subsequent meeting was held on May 31, 2019. At this time it is not known when DPS Staff's further analysis will be completed, nor when the DPS Staff whitepaper on rate design will be submitted. The March 2017 Order stated that should a new compensation methodology not be in place by January 1, 2020, projects put into service after that date would receive NEM compensation only until the new compensation methodology is developed and implemented and would then be transferred to the new compensation methodology.

On May 16, 2019, the Commission issued an Order on Standby and Buyback Service and Establishing Optional Demand Rates. The Order expands the availability of demand rates based on standby service rate design principles by requiring utilities to file tariffs to provide opt-in eligibility for all customers, including mass market (i.e., residential), to a demand-based rate option, irrespective of whether customers have on-site DERs. The availability of existing standby rates was expanded to all current demand-billed customers on an optional basis beginning July 1, 2019. Optional standby rates for mass market customers will be made available in the near future. Utilities filed draft tariffs on September 23, 2019 as required, with further analysis and discussion regarding approval and implementation of the optional rates to occur in the Rate Design Working Group of the VDER proceeding. The NYPSC issued an order on Value Stack Compensation for High-Capacity-Factor Resources on December 12, 2019.

**New York State Department of Public Service Investigation of the Preparation for and Response to the March 2017 Windstorm**

On March 11, 2017, the New York State Department of Public Service (the Department) commenced an investigation of RG&E's preparation for and response to the March 2017 windstorm, which affected more than 219,000 customers at NYSEG and RG&E. The Department investigation included a comprehensive review of RG&E's preparation for and response to the windstorm, including all aspects of the companies' filed and approved emergency plan. The Department held public hearings on April 12 and 13, 2017.

On November 16, 2017, the NYPSC announced that the DPS Staff had completed their investigation into the March 2017 Windstorm and the NYPSC issued an Order Instituting Proceeding and to Show Cause. The DPS Staff's investigation found that RG&E had allegedly violated certain parts of its emergency response plan, which makes the Company subject to possible financial penalties. RG&E responded to the order in a timely manner and has conducted settlement discussions with the DPS Staff and other parties. These settlement discussions culminated with the filing of two Joint Proposals for settling the issues raised by the Department in May 2018, with several parties signing on to the Joint Proposals. These Joint Proposals have NYSEG and RG&E implementing a combined $3.9 million of storm resiliency and restoration projects which will not be paid for by ratepayers. The Joint Proposals were approved by the Commission in April 2019.

**New York State Department of Public Service Investigation of the Preparation for and Response to the March 2018 Winter Storms**

In March 2018, following two severe winter storms that impacted more than one million electric utility customers in New York, including 520,000 NYSEG and RG&E customers, the New York Department of Public Service (NYDPS) commenced a comprehensive investigation of the preparation and response to those events by New York's major electric utility companies. The investigation was expanded in the Spring of 2018 to include other 2018 New York Spring storm events.

On April 18, 2019, the NYDPS staff issued a report (the 2018 Staff Report) of the findings from their investigation. The 2018 Staff Report identifies 94 recommendations for corrective actions to be implemented in the utilities Emergency Response Plans (ERP). The report also identified potential violations by several of the utilities, including NYSEG and RG&E.

Also on April 18, 2019, the NYPSC issued an Order Instituting Proceeding and to Show Cause directed to all major electric utilities in New York, including NYSEG and RG&E. The order directs the utilities, including NYSEG and RG&E, to show cause why the NYPSC should not pursue civil penalties, and/or administrative penalties for the apparent failure to follow their respective ERPs as approved and mandated by the NYPSC. The NYPSC also directs the utilities, within 30 days, to address whether the NYPSC should mandate, reject or modify in whole or in part, the 94 recommendations contained in the 2018 Staff Report. On May 20, 2019, NYSEG and RG&E responded to the portion of the Order to Show Cause with respect to the recommendations contained in the 2018 Staff Report. The Commission granted the companies a series of extensions to respond to the portion of the Order to Show Cause with respect to why the Commission should not pursue a penalty action. A Petition requesting New York State Public Service Commission (NYPSC) approval of a joint settlement agreement was filed with the NYPSC on December 17, 2019. The joint settlement agreement allows the Companies to avoid litigation and provides for payment by the companies of penalty of $10.5 million ($9.0 million NYSEG and $1.5 million RG&E). We cannot predict the final outcome of this matter.

**Tax Cuts and Jobs Act**

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the Tax Act) was signed into law. The Tax Act contains significant changes to the federal tax structure, including among other things, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017. The NYPSC has instituted proceedings in New York to review and address the implications associated with the Tax Act on the utilities providing service in state of New York. The Department of Public Service (DPS) Staff, on March 29, 2018, submitted a proposal to the NYPSC indicating that any companies which have not included the impacts from the Tax Act in a recent rate proceeding should submit a filing to initiate a surcredit beginning October 1, 2018 to pass back benefits to customers. The proposal invited all companies to comment on the proposal prior to June 29, 2018, and to include comments about alternative mechanisms to return the benefits to customers. RG&E has submitted comments in response to the DPS Staff proposal, identifying that it would be premature to begin a surcredit which could cause rate volatility when major expenditures may be forthcoming.

On August 9, 2018, the NYPSC issued an order in case 17-M-0815 and as part of that order instituted surcredits for RG&E customers beginning October 1, 2018. The surcredits include the annual 2018 tax expense savings for both electric and gas businesses, and include an amortization of previously deferred tax savings through September 30, 2018 for both businesses. The annual amount of the surcredits beginning October 1, 2018 for RG&E is approximately $29 million. The full effect of the Tax Cut Act is reflected in the rate case filings of May 20, 2019.

**Ginna Reliability Support Service Agreement**

Ginna Nuclear Power Plant, LLC (GNPP), which is a subsidiary of Constellation Energy Nuclear Group, LLC (CENG), owns and operates the R.E. Ginna Nuclear Power Plant (Ginna Facility and together with GNPP, Ginna), a 581 MW single-unit pressurized water reactor located in Ontario, New York. In May 2014, the New York Independent System Operator (NYISO) produced a Reliability Study, confirming that the Ginna Facility needs to remain in operation to avoid bulk transmission and non-bulk local distribution system reliability violations in 2015 and 2018. In July, 2014, GNPP filed a petition requesting that the NYPSC initiate a proceeding to examine a proposal for the continued operation of the Ginna Facility.

In November 2014, the NYPSC ruled that GNPP had demonstrated that the Ginna Facility is required to maintain system reliability and that its actions with respect to meeting the relevant retirement notice requirements were satisfactory. The NYPSC also accepted the findings of the 2014 Reliability Study and stated that it established "the reliability need for continued operation of the Ginna Facility that is the essential prerequisite to negotiating a Reliability Support Services Agreement (RSSA)." As such, the NYPSC ordered RG&E and GNPP to negotiate an RSSA.

On February 13, 2015, RG&E submitted to the NYPSC an executed RSSA between RG&E and GNPP. RG&E requested that the NYPSC accept the RSSA and approve cost recovery by RG&E from its customers of all amounts payable to GNPP under the RSSA utilizing the cost recovery surcharge mechanism.

On October 21, 2015, RG&E, GNPP, New York Department of Public Service, Utility Intervention Unit and Multiple Intervenors filed a Joint Proposal with the NYPSC for approval of the RSSA, as modified. On February 23, 2016, the NYPSC unanimously adopted the joint proposal, which provides for a term of the RSSA from April 1, 2015 through March 31, 2017 and RG&E monthly payments to Ginna in the amount of $15.4 million. In addition, RG&E is entitled to 70% of revenues from Ginna's sales into the NYISO energy and capacity markets, while Ginna is entitled to 30% of such revenues. The NYPSC also authorized RG&E to implement a rate surcharge effective January 1, 2016, to recover amounts paid to Ginna pursuant to the RSSA. The FERC issued an order authorizing the FERC Settlement agreement in the Settlement Docket on March 1, 2016, at which point the rate surcharge went into effect. RG&E used deferred rate credit amounts (regulatory liabilities) to offset the full amount of the Deferred Collection Amount (including carrying costs), plus credit amounts to offset all RSSA costs that exceed $2.3 million per month, not to exceed a total use of credits in the amount of $110 million, applicable through June 30, 2017. The available credits were insufficient to satisfy the final payment amount from RG&E to Ginna, and consistent with the agreement with the NYPSC, the RSSA surcharge continues past March 31, 2017, to recover up to $2.3 million per month until the final payment has been recovered by RG&E from customers. RG&E has met all payment obligations associated with the RSSA. Accordingly, the surcharge is no longer in effect beginning August 1, 2019.

**Minimum Equity Requirements for Regulated Subsidiaries**

RG&E is subject to a minimum equity ratio requirement that is tied to the capital structure assumed in establishing revenue requirements. Pursuant to these requirements, RG&E must maintain a minimum equity ratio equal to the ratio in its currently effective rate plan or decision measured using a trailing 13-month average. On a monthly basis, RG&E must maintain a minimum equity ratio of no less than 300 basis points below the equity ratio used to set rates. The minimum equity ratio requirement has the effect of limiting the amount of dividends that may be paid and may, under certain circumstances, require that the parent contribute equity capital. RG&E is prohibited by regulation from lending to unregulated affiliates. RG&E has also agreed to minimum equity ratio requirements in certain short-term borrowing agreements. These requirements are lower than the regulatory requirements.

**Note 3. Regulatory Assets and Liabilities**

Pursuant to the requirements concerning accounting for regulated operations we capitalize, as regulatory assets, incurred and accrued costs that are probable of recovery in future electric and natural gas rates. We base our assessment of whether recovery is probable on the existence of regulatory orders that allow for recovery of certain costs over a specific period, or allow for reconciliation or deferral of certain costs. When costs are not treated in a specific order we use regulatory precedent to determine if recovery is probable. We also record, as regulatory liabilities, obligations to refund previously collected revenue or to spend revenue collected from customers on future costs. Of the total regulatory assets net of regulatory liabilities, approximately $183.6 million represents the offset of accrued liabilities for which funds have not been expended. The remainder is either included in rate base or accruing carrying costs.

Details of regulatory assets and regulatory liabilities are shown in the tables below. They result from various regulatory orders that allow for the deferral and/or reconciliation of specific costs.  Regulatory assets and regulatory liabilities are classified as current when recovery or refund in the coming year is allowed or required through a specific order or when the rates related a specific regulatory asset or regulatory liability are subject to automatic annual adjustment.

On June 15, 2016, the NYPSC approved the proposal in connection with a three-year rate plan for electric and gas service at RG&E effective May 1, 2016. Following the approval of the Proposal RG&E's plant related tax items are amortized over the life of associated plant, and unfunded deferred taxes being amortized over a period of fifty years. A majority of the other items related to RG&E, which net to a regulatory liability, remains deferred and will not be amortized until future proceedings or will be used to recover costs of the Ginna RSSA. Following the approval of the proposal by the NYPSC, unfunded future income taxes were adjusted for the amount of $123 million to reflect the change from a flow through to normalization method, which has been recorded as an increase to income tax expense and an offsetting increase to revenue, during the year ended December 31, 2016. The amounts will be collected over a period of fifty years.

Current and non-current regulatory assets at December 31, 2019 and 2018 consisted of:

| **December 31,** | **2019** | **2018** |
|---|---|---|

| (Thousands) | | | | |
|---|---|---|---|---|
| **Current** | | | | |
| Decommissioning | $ | 4,856 | $ | 6,471 |
| Environmental remediation costs | | 6,363 | | 6,363 |
| Hedge losses | | 10,945 | | — |
| Rate Adjustment Mechanism (RAM) | | 14,907 | | 18,436 |
| Reliability support services | | — | | 12,775 |
| Revenue decoupling mechanism | | 8,554 | | 1,320 |
| Unfunded future income taxes | | 2,738 | | 2,738 |
| Other | | 3,965 | | 3,773 |
| **Total current regulatory assets** | | **52,328** | | **51,876** |
| **Non-current** | | | | |
| Asset retirement obligation | | 3,201 | | 3,181 |
| Decommissioning | | — | | 4,827 |
| Environmental remediation costs | | 73,569 | | 77,794 |
| Federal tax depreciation normalization adjustment | | 45,940 | | 48,076 |
| Pension and other postretirement benefits | | 71,320 | | 78,955 |
| Pension and other postretirement benefits cost deferrals | | 42,335 | | 46,018 |
| Rate Adjustment Mechanism (RAM) | | 20,180 | | 5,700 |
| Storm costs | | 27,064 | | 47,136 |
| Unamortized losses on re-acquired debt | | 5,008 | | 5,605 |
| Unfunded future income taxes | | 125,378 | | 119,588 |
| Other | | 19,738 | | 10,117 |
| **Total long-term regulatory assets** | **$** | **433,733** | **$** | **446,997** |

Asset retirement obligations represent the differences in timing of the recognition of costs associated with our AROs and the collection of such amounts through rates. This amount is being amortized at the related depreciation and accretion amounts of the underlying liability.

Decommissioning represents amounts to be collected in rates for the decommissioning of shut down plants.

Environmental remediation costs include spending that has occurred and is eligible for future recovery in customer rates. Environmental costs are currently recovered through a reserve mechanism whereby projected spending is included in rates with any variance recorded as a regulatory asset or a regulatory liability. The amortization period will be established in future proceedings and will depend upon the timing of spending for the remediation costs. It also includes the anticipated future rate recovery of costs that are recorded as environmental liabilities since these will be recovered when incurred. Because no funds have yet been expended for the regulatory asset related to future spending, it does not accrue carrying costs and is not included within rate base.

Federal tax depreciation normalization adjustment represents the deferral of the normalization of change impacts in book lives and the pass back of theoretical reserves associated with Powertax deferred income tax.

Hedge losses represents deferred fair value losses on electric and gas hedge contracts.

Pension and other postretirement benefits represent the actuarial losses on the pension and other postretirement plans that will be reflected in customer rates when they are amortized and recognized in future pension expenses. Because no funds have yet been expended for this regulatory asset, it does not accrue carrying costs and is not included within the rate base.

Pension and other postretirement benefits cost deferrals include the difference between actual expense for pension and other postretirement benefits and the amount provided for in rates. The recovery of these amounts will be determined in future proceedings.

Rate adjustment mechanism ("RAM") represents a mechanism each business implements to return or collect the net balance of RAM eligible deferrals and costs. The primary driver of RAM collections is storm costs but this also includes property taxes and REV costs and fees not covered in other recovery mechanisms.

Reliability support services represent the deferral of costs associated with keeping units available and capable of being committed for reliability purposes as requested by the utility or the NYISO.

Revenue decoupling mechanism represents the mechanism established to disassociate the utility's profits from its delivery/commodity sales.

Storm costs are allowed in rates based on an estimate of the routine costs of service restoration. RG&E is also allowed to defer unusually high levels of service restoration costs resulting from major storms when they meet certain criteria for severity and duration.

Unamortized losses on reacquired debt represent deferred losses on debt reacquisitions that will be recovered over the remaining original amortization period of the reacquired debt.

Unfunded future income taxes represent unrecovered federal and state income taxes primarily resulting from regulatory flow through accounting treatment. The income tax benefits or charges for certain plant related timing differences, such as removal costs, are immediately flowed through to, or collected from, customers. This amount is being amortized as the amounts related to temporary differences that give rise to the deferrals are recovered in rates.

Deferred income taxes regulatory: see Note 1.

Current and non-current regulatory liabilities at December 31, 2019 and 2018 consisted of:

| December 31, | | 2019 | | 2018 |
|---|---|---|---|---|
| (Thousands) | | | | |
| **Current** | | | | |
| Carrying costs on deferred income tax bonus depreciation | $ | 10,000 | $ | 10,000 |
| Electric Supply Reconciliation (ESR) | | 860 | | 154 |
| Energy efficiency programs | | 35,739 | | 28,466 |
| Gas Supply Charge (GSC) | | 5,461 | | 1,469 |
| Merchant Function Charge (MFC) | | 127 | | 647 |
| Rate Adjustment Mechanism (RAM) | | 5,280 | | 5,976 |
| Tax Act – remeasurement | | 6,439 | | 6,439 |
| Other | | 3,770 | | 2,380 |
| **Total current regulatory liabilities** | | **67,676** | | **55,531** |
| **Non-current** | | | | |
| Accrued removal obligations | | 187,927 | | 180,224 |
| Asset gain sale account | | 10,851 | | 10,851 |
| Carrying costs on deferred income tax bonus depreciation | | 25,769 | | 35,769 |
| Debt rate reconciliations | | 26,124 | | 20,356 |
| Deferred property taxes | | 15,225 | | 24,800 |
| Deferred transmission congestion contracts | | 23,293 | | 21,339 |
| Earnings sharing | | 12,326 | | 10,294 |
| Economic development | | 19,936 | | 19,330 |
| Merger capital expense | | 5,953 | | 5,953 |
| NEIL (Nuclear Electric Insurance Limited) credits | | 7,147 | | 4,420 |
| Net plant reconciliation | | 22,656 | | 18,657 |
| Pension and other postretirement benefits | | 8,246 | | — |
| Pension and other postretirement benefits cost deferrals | | 4,260 | | 3,076 |
| Positive benefit adjustment | | 32,639 | | 32,639 |
| Rate Adjustment Mechanism (RAM) | | 5,280 | | — |
| Tax Act – remeasurement | | 297,409 | | 290,051 |
| Theoretical reserve flow through impact | | 6,279 | | 6,279 |
| Other | | 37,733 | | 28,220 |
| **Total non-current regulatory liabilities** | **$** | **749,053** | **$** | **712,258** |

Accrued removal obligations represent the differences between asset removal costs recorded and amounts collected in rates for those costs. The amortization period is dependent upon the asset removal costs of underlying assets and the life of the utility plant.

Carrying costs on deferred income tax bonus depreciation represent the carrying costs benefit of increased accumulated deferred income taxes created by the change in tax law allowing bonus depreciation. The amortization period is five years following the approval of the proposal by the NYPSC.

Debt rate reconciliations represent the over/under collection of costs related to fixed and variable rate debt instruments identified in the rate case. Costs would include interest, commissions and fees versus amounts included in rates.

Deferred property taxes represent the customer portion of the difference between actual expense for property taxes and the amount provided for in rates. The amount is being amortized over a five year period following the approval of the proposal by the NYPSC.

Deferred transmission congestion contracts represent the deferral of the right to collect day-ahead market congestions rents going forward in time.

Economic development represents the economic development program which enables RG&E to foster economic development through attraction, expansion, and retention of businesses within its service territory. If the level of actual expenditures for economic development allocated to RG&E varies in any rate year from the level provided for in rates, the difference is refunded to ratepayers. The amortization period is five years following the approval of the proposal by the NYPSC.

Energy efficiency programs standard represents the difference between revenue billed to customers through an energy efficiency charge and the costs of our energy efficiency programs as approved by the state authorities.

Merger capital expense target customer credit account was created as a result of RG&E not meeting certain capital expenditure requirements established in the order approving the purchase of Energy East by Iberdrola. The amortization period is five years following the approval of the proposal by the NYPSC.

Rate Adjustment Mechanism ("RAM") represents a mechanism each business implements to return or collect the net balance of RAM eligible deferrals and costs. The primary driver of RAM collections is storm costs but this also includes property taxes and REV costs and fees not covered in other recovery mechanisms.

Tax Act - remeasurement represents the impact from remeasurement of deferred income tax balances as a result of the Tax Act enacted by the U.S. federal government on December 22, 2017. Reductions in accumulated deferred income tax balances due to the reduction in the corporate income tax rates from 35% to 21% under the provisions of the Tax Act will result in amounts previously collected from utility customers for these deferred taxes to be refundable to such customers, generally through reductions in future rates. The NYPSC has instituted separate proceedings to review and address the implications associated with the Tax Act on the utilities providing service in state of New York. The NYPSC has required RG&E to institute surcredits to customers as of October 1, 2018. The surcredits include the annual tax expense savings as well as an amortization of previously deferred tax savings through September 30, 2019.

Other includes items such as asset retirement obligations and New York State tax rate change.

**Note 4. Revenue**

We recognize revenue when we have satisfied our obligations under the terms of a contract with a customer, which generally occurs when the control of promised goods or services transfers to the customer. We measure revenue as the amount of consideration we expect to receive in exchange for providing those goods or services. Contracts with customers may include multiple performance obligations. For such contracts, we allocate revenue to each performance obligation based on its relative standalone selling price. We generally determine standalone selling prices based on the prices charged to customers. Certain revenues are not within the scope of ASC 606, such as revenues from leasing, derivatives, other revenues that are not from contracts with customers and other contractual rights or obligations, and we account for such revenues in accordance with the applicable accounting standards. We exclude from revenue amounts collected on behalf of third parties, including any such taxes collected from customers and remitted to governmental authorities. We do not have any material significant payment terms because we receive payment at or shortly after the point of sale.

The following describes the principal activities from which we generate revenue.

RG&E derives its revenue primarily from tariff-based sales of electricity and natural gas service to customers in New York with no defined contractual term. For such revenues, we recognize revenues in an amount derived from the commodities delivered to customers. Other major sources of revenue are electricity transmission and wholesale sales of electricity and natural gas.

Tariff-based sales are subject to the corresponding state regulatory authorities, which determine prices and other terms of service through the ratemaking process. In New York, customers have the option to obtain the electricity or natural gas commodity directly from the utility or from another supplier. For customers that receive their commodity from another supplier, the utility acts as an agent and delivers the electricity or natural gas provided by that supplier. Revenue in those cases is only for providing the service of delivery of the commodity.

Transmission revenue results from others' use of the utility's transmission system to transmit electricity and is subject to FERC regulation, which establishes the prices and other terms of service. Long-term wholesale sales of electricity are based on individual bilateral contracts. Short-term wholesale sales of electricity are generally on a daily basis based on market prices and are administered by the NYISO or PJM Interconnection, LLC (PJM), as applicable. Wholesale sales of natural gas are generally short-term based on market prices through contracts with the specific customer.

The performance obligation in all arrangements is satisfied over time because the customer simultaneously receives and consumes the benefits as RG&E delivers or sells the electricity or natural gas or provides the transmission service.

RG&E records revenue from Alternative Revenue Programs (ARPs), which is not ASC 606 revenue. Such programs represent contracts between the utilities and their regulators. The RG&E ARPs include revenue decoupling mechanisms, other ratemaking mechanisms, annual revenue requirement reconciliations, and other demand side management programs.

RG&E also has various other sources of revenue including billing, collection, other administrative charges, sundry billings, rent of utility property, and miscellaneous revenue. It classifies such revenues as other ASC 606 revenues to the extent they are not related to revenue generating activities from leasing, ARPs, or other activities.

We have contract liabilities for revenue from transmission congestion contract (TCC) auctions, for which we receive payment at the beginning of an auction period, and amortize ratably each month into revenue over the applicable auction period. The auction periods range from six months to two years. TCC contract liabilities totaled $0.4 million at December 31, 2019, and $0.5 million at December 31, 2018, and are presented in "Other current liabilities" on our balance sheets. We recognized $1.1 million and $0.6 million as revenue during 2019 and 2018, respectively.

We apply a practical expedient to expense as incurred costs to obtain a contract when the amortization period is one year or less. We record costs incurred to obtain a contract within operating expenses, including amortization of capitalized costs.

Revenues disaggregated by major source for the years ended December 31, 2019 and 2018 are as follows:

| Years Ended December 31, | 2019 | 2018 |
|---|---|---|
| (Thousands) | | |
| Regulated operations – electricity | $ 580,043 | $ 603,219 |
| Regulated operations – natural gas | 285,256 | 296,873 |
| Other (a) | 12,699 | 13,131 |
| **Revenue from contracts with customers** | **877,998** | **913,223** |
| Leasing revenue | 140 | 1,452 |
| Alternative revenue programs | 13,575 | 6,950 |
| Other revenue | 1,329 | 2,143 |
| **Total operating revenues** | **$ 893,042** | **$ 923,768** |

(a) Primarily includes certain intra-month trading activities, billing, collection, and administrative charges, sundry billings, and other miscellaneous revenue.

## Note 5. Income Taxes

Current and deferred taxes charged to expense for the years ended December 31, 2019 and 2018 consisted of:

| **Years Ended December 31,** | | **2019** | **2018** |
|---|---|---|---|
| **(Thousands)** | | | |
| Current | | | |
| Federal | $ | (6,079)$ | 42,017 |
| State | | 4,965 | 1,649 |
| **Current taxes charged to (benefit) expense** | | **(1,114)** | **43,666** |
| Deferred | | | |
| Federal | | 31,850 | (17,467) |
| State | | 2,618 | 4,523 |
| **Deferred taxes charged to expense (benefit)** | | **34,468** | **(12,944)** |
| **Total Income Tax Expense** | **$** | **33,354 $** | **30,722** |

The differences between tax expense per the statements of income and tax expense at the 21% statutory federal tax rate for the years ended December 31, 2019 and 2018, respectively, consisted of:

| **Years Ended December 31,** | | **2019** | **2018** |
|---|---|---|---|
| **(Thousands)** | | | |
| Tax expense at statutory rate | $ | 26,924 $ | 26,219 |
| Equity AFUDC tax impacts not normalized | | (10,026) | — |
| State tax expense (benefit), net of federal benefit | | 5,990 | 6,411 |
| Other, net | | 10,466 | (1,908) |
| **Total Income Tax Expense** | **$** | **33,354 $** | **30,722** |

Income tax expense for the year ended December 31, 2019 was $6.4 million higher than it would have been at the statutory federal income tax rate of 21% due predominately to state tax expense; partially offset by Equity AFUDC tax effects. This resulted in an effective tax rate of 26.0%. Income tax expense for the year ended December 31, 2018 was $4.5 million higher than it would have been at the statutory federal income tax rate of 21% due predominately to state taxes. This resulted in an effective tax rate of 24.6%.

Deferred tax assets and liabilities as of December 31, 2019 and 2018 consisted of:

| **December 31,** | | **2019** | **2018** |
|---|---|---|---|
| **(Thousands)** | | | |
| **Non-current Deferred Income Tax Liabilities (Assets)** | | | |
| Property related | $ | 459,299 $ | 426,645 |
| Unfunded future income taxes | | 29,068 | 31,970 |
| Storms | | 16,916 | 12,319 |
| Regulatory liability due to "Tax Cuts and Jobs Act" | | (79,410) | (77,488) |

| | | | | |
|---|---|---|---|---|
| Pension and other postretirement benefits | | (16,241) | | (12,441) |
| Derivative assets | | (14,903) | | (15,824) |
| Environmental | | (13,781) | | (12,393) |
| Non-cash return – bonus depreciation | | (9,348) | | (11,962) |
| Positive benefits adjustment merger order | | (8,530) | | (8,530) |
| Federal and state tax credits | | — | | (48,622) |
| Federal and state NOLs | | (1,564) | | (17,610) |
| Other | | (30,395) | | (21,804) |
| **Total Non-current Deferred Income Tax Liabilities** | **$** | **331,111** | **$** | **244,260** |
| Deferred tax assets | $ | 174,172 | $ | 226,674 |
| Deferred tax liabilities | | 505,283 | | 470,934 |
| **Net Accumulated Deferred Income Tax Liabilities** | **$** | **331,111** | **$** | **244,260** |

RG&E has gross New York state net operating losses of $30.5 million for the year ended December 31, 2019. RG&E had gross federal net operating losses of $76.4 million, federal research and development credits of $1.4 million, gross New York state net operating losses of $30.5 million, and claims for New York state tax credits of $47.2 million for the year ended December 31, 2018.

Uncertain tax positions have been classified as noncurrent unless expected to be paid within one year. In 2019, we netted our liability for uncertain tax positions against all same jurisdiction tax credit carryforwards. Our policy is to recognize interest and penalties on uncertain tax positions as a component of interest expense in the consolidated statements of income.

The reconciliation of unrecognized income tax benefits for the years ended December 31, 2019 and 2018 consisted of:

| **Years Ended December 31,** | | **2019** | | **2018** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Balance as of January 1 | $ | 49,961 | $ | 2,526 |
| Increases for tax positions related to prior years | | — | | 47,737 |
| Reduction for tax positions related to prior years | | (287) | | (302) |
| **Balance as of December 31** | **$** | **49,674** | **$** | **49,961** |

Unrecognized income tax benefits represent income tax positions taken on income tax returns but not yet recognized in the financial statements. The accounting guidance for uncertainty in income taxes provides that the financial effects of a tax position shall initially be recognized in the financial statements when it is more likely than not based on the technical merits that the position will be sustained upon examination, assuming the position will be audited and the taxing authority has full knowledge of all relevant information.

There were no additional accruals for interest and penalties on tax reserves as of December 31, 2019 and

December 31, 2018.

**Note 6. Long-term Debt**

Long-term debt as of December 31, 2019 and 2018 consisted of:

| As of December 31, | | 2019 | | 2018 | |
|---|---|---|---|---|---|
| (Thousands) | Maturity Dates | Balances | Interest Rates | Balances | Interest Rates |
| First mortgage bonds (a) | 2021-2033 | $ 900,000 | 3.10%-8.00% | $ 900,000 | 3.10%-8.00% |
| Unsecured pollution control notes - fixed | 2025 | 152,400 | 2.875%-3.00% | 152,400 | 2.875%-3.00% |
| Obligations under capital leases (b) | | — | | 8,778 | |
| Unamortized debt issuance cost and discount | | (7,197) | | (11,994) | |
| **Total Debt** | | **$ 1,045,203** | | **$ 1,049,184** | |
| Less: debt due within one year, included in current liabilities | | — | | 150,532 | |
| **Total Non-current Debt** | | **$ 1,045,203** | | **$ 898,652** | |

(a) The first mortgage bonds are secured by a first mortgage lien on substantially all of Net Utility Plant In Service. We have no other secured indebtedness. None of our other debt obligations are guaranteed or secured by any of our affiliates.

(b) Due to the adoption of ASC 842 in 2019 (see Notes 1 and 8 for more information), capital leases, now known as financing leases, are no longer reported as part of long-term debt.

On June 29, 2018, RG&E remarketed $152 million in aggregate principal amount of Pollution Control Revenue Bonds, issued through the New York State Energy Research and Development Authority, with mandatory tender and maturity date of 2025 and interest rates ranging 2.875% - 3.00%.

On August 27, 2019, RG&E issued $150 million aggregate principal amount of first mortgage bonds maturing in 2027 at an interest rate of 3.10% .

Long-term debt, including sinking fund obligations, due over the next five years consist of:

| 2020 | 2021 | 2022 | 2023 | 2024 | Total |
|---|---|---|---|---|---|
| (Thousands) | | | | | |
| $ — | $ 125,000 | $ — | $ — | $ — | $ 125,000 |

We have no financial debt covenant requirements related to our long-term debt at December 31, 2019 and 2018.

**Note 7. Bank Loans and Other Borrowings**

RG&E had a total of $33.2 million of notes payable as of December 31, 2019 and none as of December 31, 2018. RG&E funds short-term liquidity needs through an agreement among Avangrid's regulated utility subsidiaries (the Virtual Money Pool Agreement), a bi-lateral intercompany credit agreement with Avangrid (the Bi-Lateral Intercompany Facility) and a bank provided credit facility to which RG&E is a party (the AGR Credit Facility), each of which are described below.

The Virtual Money Pool Agreement is an agreement among the investment grade-rated, regulated utility subsidiaries of Avangrid under which the parties to this agreement may lend to or borrow from each other. This Agreement allows Avangrid to optimize cash resources within the regulated utility companies which are prohibited by regulation from lending to unregulated affiliates. The interest rate on transactions under this agreement is the A2/P2 non-financial 30-day commercial paper rate published by the Federal Reserve. RG&E has a lending/borrowing limit of $100 million under this agreement. On June 29, 2018, the RG&E Board approved the amendment to RG&E's borrowing and lending limit, increasing it temporarily from $100 million to $200 million. The amendment shall terminate on December 31, 2018, and all terms and conditions of the amendment shall revert back to the original terms and conditions provided for in the Agreement. There was no debt outstanding as of December 31, 2019 and December 31, 2018 under this agreement.

The Bi-Lateral Intercompany Facility provides for borrowing of up to $500 million from Avangrid at the A2/P2 non-financial 30-day commercial paper rate published by the Federal Reserve. RG&E had $33.2 million outstanding under this agreement as of December 31, 2019 and no debt outstanding under this agreement as of December 31, 2018.

On June 29, 2018, AGR and its investment-grade rate utility subsidiaries (New York State Electric & Gas Corporation (NYSEG), RG&E, Central Maine Power Company (CMP), The United Illuminating Company (UI), Connecticut Natural Gas Corporation (CNG), The Southern Connecticut Gas Company (SCG) and The Berkshire Gas Company (BGC)) increased the maximum borrowing terms of the facility from $1.5 billion to $2.5 billion (in aggregate) and extended the maturity date from April 5, 2021 to June 29, 2023. The revolving credit facility is comprised of a syndicate of banks. Under the terms of the AGR Credit Facility, each joint borrower has a maximum borrowing entitlement, or sublimit, which can be periodically adjusted to address specific short-term capital funding needs, subject to the maximum limit established by the banks. AGR's maximum sublimit is $2 billion, NYSEG, RG&E, CMP and UI have maximum sublimits of $400 million, CNG and SCG have maximum sublimits of $150 million and BGC has a maximum sublimit of $40 million. Under the AGR Credit Facility, each of the borrowers will pay an annual facility fee that is dependent on their credit rating. The facility fees will range from 10.0 to 17.5 basis points. Effective on June 29, 2019, the termination date for the AGR Credit Facility was extended to June 29, 2024. RG&E had not borrowed under this agreement as of both December 31, 2019 and December 31, 2018.

In the AGR Credit Facility we covenant not to permit, without the consent of the lender, our ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of indebtedness to total capitalization, the facility excludes from net worth the balance of accumulated other comprehensive loss as it appears on the balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness we may maintain. Continued un-remedied failure to comply with those covenants for five business days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity. Our ratio of indebtedness to total capitalization pursuant to the revolving credit facility was 0.50 to 1.00 at December 31, 2019. We are not in default as of December 31, 2019.

**Note 8. Leases**

We have operating leases for office buildings, facilities, vehicles and certain equipment. Our finance leases are primarily related to electric generation, distribution, transmission and other. Certain of our lease agreements include rental payments adjusted periodically for inflation or are based on other periodic input measures. Our leases do not contain any material residual value guarantees or material restrictive covenants. Our leases have remaining lease terms of 1 year to 16 years, some of which may include options to extend the leases for up to 30 years, and some of which may include options to terminate the leases within one year. We consider extension or termination options in the lease term if it is reasonably certain we will exercise the option.

The components of lease cost and other information related to leases were as follows:

| **Year Ended December 31,** | | **2019** |
|---|---|---|
| **(Thousands)** | | |
| **Lease cost** | | |
| Finance lease cost | | |
| Amortization of right-of-use assets | $ | 2,264 |
| Interest on lease liabilities | | 528 |
| Total finance lease cost | | 2,792 |
| Operating lease cost | | 2,337 |
| Short-term lease cost | | 102 |
| Variable lease cost | | 332 |
| Intercompany | | 48 |
| **Total lease cost** | **$** | **5,611** |

| | | **As of December 31, 2019** |
|---|---|---|
| **(Thousands, except lease term and discount rate)** | | |
| **Operating Leases** | | |
| Operating lease right-of-use assets | $ | 9,469 |
| | | |
| Operating lease liabilities, current | | 1,344 |
| Operating lease liabilities, long-term | | 9,026 |

| | | |
|---|---|---|
| Total operating lease liabilities | $ | 10,370 |
| | | |
| **Finance Leases** | | |
| Other assets | $ | 9,307 |
| | | |
| Other current liabilities | | 1,757 |
| Other non-current liabilities | | 5,611 |
| Total finance lease liabilities | $ | 7,368 |
| | | |
| **Weighted-average Remaining Lease Term (years):** | | |
| Finance leases | | 3.92 |
| Operating leases | | 5.19 |
| **Weighted-average Discount Rate:** | | |
| Finance leases | | 6.53% |
| Operating leases | | 3.31% |

As required by Docket AI19-1-000, the company records operating leases in property, plant, and equipment.

Supplemental cash flows information related to leases was as follows:

| **Year Ended December 31,** | | **2019** |
|---|---|---|
| **(Thousands)** | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | $ | 1,503 |
| Operating cash flows from finance leases | $ | 528 |
| Financing cash flows from finance leases | $ | 2,259 |
| | | |
| Right-of-use assets obtained in exchange for lease obligations: | | |
| Finance leases | $ | 850 |
| Operating leases | $ | 365 |

Maturities of lease liabilities were as follows:

| | | **Finance Leases** | | **Operating Leases** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| **Year ending December 31,** | | | | |
| 2020 | $ | 2,201 | $ | 1,563 |
| 2021 | | 2,201 | | 1,453 |
| 2022 | | 2,201 | | 1,448 |
| 2023 | | 1,756 | | 3,547 |

| | | |
|---|---|---|
| 2024 | — | 2,842 |
| Thereafter | — | 663 |
| **Total lease payments** | **8,359** | **11,516** |
| Less: imputed interest | (991) | (1,146) |
| **Total** | **$ 7,368** | **$ 10,370** |

Most of our leases do not provide an implicit rate in the lease, thus we use our incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. We used the incremental borrowing rate on January 1, 2019, for operating leases that commenced prior to that date.

**Comparative 2018 Leases Disclosures**

The following are the 2018 annual lease disclosures, presented in accordance with Topic 840.

Operating lease expense relating to operational facilities, office building leases and vehicle and equipment leases was $1.9 million for the year ended December 31, 2018.

Total future minimum lease payments as of December 31, 2018 consisted of:

| **Year** | **Operating Leases** | **Capital Leases** | **Total** |
|---|---|---|---|
| **(Thousands)** | | | |
| 2019 | $ 1,524 | $ 2,397 | $ 3,921 |
| 2020 | 1,638 | 1,961 | 3,599 |
| 2021 | 1,417 | 1,961 | 3,378 |
| 2022 | 1,402 | 1,961 | 3,363 |
| 2023 | 3,510 | 1,798 | 5,308 |
| Thereafter | 2,915 | - | 2,915 |
| **Total** | **$ 12,406** | **$ 10,078** | **$ 22,484** |

**Note 9. Commitments and Contingencies**

**Purchase power and natural gas contracts, including nonutility generators**

RG&E is the provider of last resort for customers. As a result, the company buys physical energy and capacity from the NYISO. In accordance with the NYPSC's February 26, 2008 Order, RG&E is required to hedge on behalf of non-demand billed customers. The physical electric capacity purchases we make from parties other than the NYISO are to comply with the hedge requirement for electric capacity. The company enters into financial swaps to comply with the hedge requirement for physical electric energy purchases. RG&E also makes purchases from other independent power producers and New York Power Authority (NYPA) under existing contracts or long-term supply agreements in order to comply with the company's Public Utility Regulatory Policies Act (PURPA) purchase obligation.

RG&E satisfies its natural gas supply requirements through purchases from various producers and suppliers, withdrawals from natural gas storage, capacity contracts and winter peaking supplies and resources. The company operates diverse portfolios of gas supply, firm transportation capacity, gas storage and peaking resources. Actual gas costs incurred by each of the companies are passed through to customers through state regulated purchased gas adjustment mechanisms, subject to regulatory review.

The company purchases the majority of its natural gas supply at market prices under seasonal, monthly or mid-term supply contracts and the remainder is acquired on the spot market. The company acquires firm transportation capacity on interstate pipelines under long-term contracts and utilizes that capacity to transport both natural gas supply purchased and natural gas withdrawn from storage to the local distribution system. The company acquires firm underground natural gas storage capacity using long-term contracts and fills the storage facilities with gas in the summer months for subsequent withdrawal in the winter months.

We recognized expenses of approximately $43.9 million for Normal Purchase Normal Sale (NPNS) purchase power and natural gas contracts including nonutility generators in 2019 and $47.7 million in 2018.

**Note 10. Environmental Liability**

From time to time environmental laws, regulations and compliance programs may require changes in our operations and facilities and may increase the cost of electric and natural gas service.

**Waste sites**

The Environmental Protection Agency (EPA) and the New York State Department of Environmental Conservation (NYSDEC), as appropriate, have notified us that we are among the potentially responsible parties that may be liable for costs incurred to remediate certain hazardous substances at nine waste sites. The nine sites do not include sites where gas was manufactured in the past, which are discussed below. With respect to the nine sites, seven sites are included in the New York State Registry of Inactive Hazardous Waste Disposal Sites and two sites are also included on the National Priorities list.

Any liability may be joint and several for certain of those sites. We have recorded an estimated liability of $0.2 million at December 31, 2019, related to the nine sites. We have recorded an estimated liability of $4.2 million related to another seven sites where we believe it is probable that we will incur remediation costs and/or monitoring costs, although we have not been notified that we are among the potentially responsible parties. It is possible the ultimate cost to remediate the sites may be significantly more than the accrued amount. Our estimate for costs to remediate these sites ranges from $3.9 million to $6.6 million as of December 31, 2019. Factors affecting the estimated remediation amount include the remedial action plan selected, the extent of site contamination and the portion attributed to us. Any cost will be flowed through to RG&E ratepayers.

**Manufactured gas plants**

We have a program to investigate and perform necessary remediation at our twelve sites where gas was manufactured in the past. In 1994 and 1996 we entered into orders on consent with the NYSDEC. Those orders require us to investigate and, where necessary, remediate all of our eleven sites. All eleven sites are included in the New York Voluntary Clean-up Program.

Our estimate for all costs related to investigation and remediation of the twelve sites ranges from $79.0 million to $194.2 million at December 31, 2019. The estimate could change materially based on facts and circumstances derived from site investigations, changes in required remedial action, changes in technology relating to remedial alternatives and changes to current laws and regulations.

The liability to investigate and perform remediation, as necessary, at the known inactive gas manufacturing sites was $128.3 million at December 31, 2019, and $127.3 million at December 31, 2018. We recorded a corresponding regulatory asset, net of insurance recoveries, because we expect to recover the net costs in rates.

Our environmental liabilities are recorded on an undiscounted basis and are expected to be paid through the year 2057.

**Note 11. Accounting for Derivative Instruments and Hedging Activities**

We are exposed to certain risks relating to our ongoing business operations. The primary risk we manage by using derivative instruments is commodity price risk. In accordance with the accounting requirements concerning derivative instruments and hedging activities, we recognize all derivative instruments as either assets or liabilities at fair value on our balance sheet.

The financial instruments we hold or issue are not for trading or speculative purposes.

***Commodity price risk:*** Commodity price risk, due to volatility experienced in the wholesale energy markets, is a significant issue for the electric and natural gas utility industries. We manage this risk through a combination of regulatory mechanisms, such as the pass-through of the market price of electricity and natural gas to customers, and through comprehensive risk management processes. Those measures mitigate our commodity price exposure, but do not completely eliminate it. Owned electric generation and long-term supply contracts reduce our exposure to market fluctuations.

We have electricity commodity purchases and sales contracts for both capacity and energy (physical contracts) that have been designated and qualify for the normal purchases and normal sales exception in accordance with the accounting requirements concerning derivative instruments and hedging activities.

We currently have a non by-passable wires charge adjustment that allows us to pass through rates any changes in the market price of electricity. We use electricity contracts, both physical and financial, to manage fluctuations in electricity commodity prices in order to provide price stability to customers. We include the cost or benefit of those contracts in the amount expensed for electricity purchased when the related electricity is sold. We record changes in the fair value of electric hedge contracts to derivative assets and/or liabilities with an offset to regulatory assets and/or regulatory liabilities in accordance with the requirements concerning accounting for regulated operations.

We have a purchased gas adjustment clause that allows us to recover through rates any changes in the market price of purchased natural gas, substantially eliminating our exposure to natural gas price risk. We use natural gas futures and forwards to manage fluctuations in natural gas commodity prices in order to provide price stability to customers. We include the cost or benefit of natural gas futures and forwards in the commodity cost that is passed on to customers when the related sales commitments are fulfilled. We record changes in the fair value of natural gas hedge contracts to derivative assets and/or liabilities with an offset to regulatory assets and/or regulatory liabilities in accordance with the requirements concerning accounting for regulated operations.

The amounts for electricity hedge contracts and natural gas hedge contracts recognized in regulatory liabilities and assets as of December 31, 2019 and 2018 and amounts reclassified from regulatory assets and liabilities into income for the years ended December 31, 2019 and 2018 are as follows:

| (Thousands) | Loss or Gain Recognized in Regulatory Assets/Liabilities | | Location of Loss (Gain) Reclassified from Regulatory Assets/Liabilities into Income | Loss (Gain) Reclassified from Regulatory Assets/Liabilities into Income | |
|---|---|---|---|---|---|
| **As of** | | | **Years Ended December 31,** | | |
| **December 31, 2019** | **Electricity** | **Natural Gas** | **2019** | **Electricity** | **Natural Gas** |
| Regulatory assets | $ 8,529 | $ 2,902 | Purchased power, natural gas and fuel used | $ 8,520 | $ 433 |
| Regulatory liabilities | $ — | $ — | | | |
| **December 31, 2018** | | | **2018** | | |
| Regulatory assets | $ — | $ — | Purchased power, natural gas and fuel used | $ (4,636) | $ (500) |
| Regulatory liabilities | $ 1,433 | $ 195 | | | |

Our derivative volumes by commodity type that are expected to settle each year are:

| | Electricity Contracts | Natural Gas Contracts | Other Fuel Contracts |
|---|---|---|---|
| **Year to settle** | **Mwhs** | **Dths** | **Gallons** |
| **As of December 31, 2019** | | | |
| 2020 | 1,489,775 | 4,960,000 | 367,900 |
| 2021 | 438,000 | 840,000 | — |
| **As of December 31, 2018** | | | |
| 2019 | 1,313,375 | 4,560,000 | 397,100 |
| 2020 | 219,600 | 730,000 | — |

The offsetting of derivatives, location in the balance sheet and amounts of derivatives as of December 31, 2019 and 2018, respectively, consisted of:

| **December 31, 2019** | **Derivative Assets-current** | **Derivative Assets-Non-current** | **Derivative Liabilities-current** | **Derivative Liabilities-Non-current** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Not designated as hedging instruments | | | | |
| Derivative assets | $ 499 | $ 778 | $ 499 | $ 778 |
| Derivative liabilities | (499) | (778) | (11,444) | (1,264) |
| | — | — | (10,945) | (486) |
| Designated as hedging instruments | | | | |
| Derivative assets | — | — | — | — |
| Derivative liabilities | — | — | (72) | — |
| | — | — | (72) | — |
| Total derivatives before offset of cash collateral | — | — | (11,017) | (486) |
| Cash collateral receivable | — | — | 10,945 | 486 |
| **Total derivatives as presented in the balance sheet** | **$ —** | **$ —** | **$ (72)** | **$ —** |

| **December 31, 2018** | **Derivative Assets-current** | **Derivative Assets-Non-current** | **Derivative Liabilities-current** | **Derivative Liabilities-Non-current** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Not designated as hedging instruments | | | | |
| Derivative assets | $ 5,347 | $ 625 | $ 3,630 | $ 591 |
| Derivative liabilities | (3,630) | (591) | (3,630) | (714) |

| | | | | |
|---|---|---|---|---|
| | 1,717 | 34 | — | (123) |
| Designated as hedging instruments | | | | |
| Derivative assets | — | — | — | — |
| Derivative liabilities | — | — | (327) | — |
| | — | — | (327) | — |
| Total derivatives before offset of cash collateral | 1,717 | 34 | (327) | (123) |
| Cash collateral receivable | — | — | — | 123 |
| **Total derivatives as presented in the balance sheet** | **$ 1,717** | **$ 34** | **$ (327)** | **$ —** |

As of both December 31, 2019 and 2018, the derivative assets and derivative liabilities are presented within other current and non-current assets and liabilities of the balance sheet, respectively.

*Derivatives designated as hedging instruments*

The effect of derivatives in cash flow hedging instruments on OCI and income for the years ended December 31, 2019 and 2018, respectively, consisted of:

| **Year Ended December 31,** | **(Loss) Gain Recognized in OCI on Derivatives** | **Location of (Loss) Gain Reclassified From Accumulated OCI into Income** | **Loss Reclassified From Accumulated OCI into Income** | **Total Amount per Income Statement** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| **2019** | | | | |
| Interest rate contracts | $ — | Interest expense | $ (4,723) | $ 70,784 |
| Commodity contracts: Other | 89 | Other operating expenses | (166) | $ 282,270 |
| **Total** | **$ 89** | | **$ (4,889)** | |
| **2018** | | | | |
| Interest rate contracts | $ — | Interest expense | $ (5,768) | $ 71,322 |
| Commodity contracts: Other | (287) | Other operating expenses | (1) | $ 271,177 |
| **Total** | **$ (287)** | | **$ (5,769)** | |

The amount in AOCI related to previously settled forward starting interest rate swaps and accumulated amortization, at December 31, 2019 is a net loss of $52.0 million as compared to $56.7 million at December 31, 2018. For the year ended December 31, 2019, we recorded $4.7 million in net derivative losses related to discontinued cash flow hedges. We will amortize approximately $3.7 million of discontinued cash flow hedges in 2020.

As of December 31, 2019, $0.1 million in losses are reported in AOCI because the forecasted transaction is considered to be probable. We expect that those losses will be reclassified into earnings within the next 12 months, the maximum length of time over which we are hedging our exposure to the variability in future cash flows for forecasted energy transactions.

We face risks related to counterparty performance on hedging contracts due to counterparty credit default. We have developed a matrix of unsecured credit thresholds that are dependent on a counterparty's or the counterparty guarantor's applicable credit rating (normally Moody's or Standard & Poor's). When our exposure to risk for counterparty exceeds the unsecured credit threshold, the counterparty is required to post additional collateral or we will no longer transact with the counterparty until the exposure drops below the unsecured credit threshold.

We have various master netting arrangements in the form of multiple contracts with various single counterparties that are subject to contractual agreements that provide for the net settlement of all contracts through a single payment. Those arrangements reduce our exposure to a counterparty in the event of default on or termination of any one contract. For financial statement presentation, we offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim or the obligation to return cash collateral arising from derivative instruments executed with the same counterparty under a master netting arrangement.

Certain of our derivative instruments contain provisions that require us to maintain an investment grade credit rating on our debt from each of the major credit rating agencies. If our debt were to fall below investment grade, it would be in violation of those provisions, and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position on December 31, 2019 is $11.4 million for which we have posted collateral.

**Note 12. Fair Value of Financial Instruments and Fair Value Measurements**

The estimated fair value of debt amounted to $1,249.0 million as of December 31, 2019 and $1,176.0 million as of December 31, 2018. The estimated fair value was determined, in most cases, by discounting the future cash flows at market interest rates. The interest rate curve used to make these calculations takes into account the risks associated with the electricity industry and the credit ratings of the borrowers in each case. The fair value of these unsecured pollution control notes-variable are determined using unobservable interest rates as the market for these notes is inactive.

The financial instruments measured at fair value as of December 31, 2019 and 2018 consisted of:

| Description | Level 1 | Level 2 | Level 3 | Netting | Total |
|---|---|---|---|---|---|
| (Thousands) | | | | | |
| **As of December 31, 2019** | | | | | |
| **Assets** | | | | | |
| Noncurrent investments, primarily money market funds | $ 184 | $ — | $ — | $ — | $ 184 |
| Derivatives | | | | | |
| Commodity contracts: | | | | | |
| Electricity | 1,242 | — | — | (1,242) | — |
| Natural Gas | 35 | — | — | (35) | — |
| Other | — | — | — | — | — |
| **Total** | **$ 1,461** | **$ —** | **$ —** | **$ (1,277)** | **$ 184** |
| **Liabilities** | | | | | |
| Derivatives | | | | | |
| Commodity contracts: | | | | | |
| Electricity | $ (9,771) | $ — | $ — | $ 9,771 | $ — |
| Natural gas | (2,937) | — | — | 2,937 | — |
| Other | — | — | (72) | — | (72) |
| **Total** | **$ (12,708)** | **$ —** | **$ (72)** | **$ 12,708** | **$ (72)** |

| Description | Level 1 | Level 2 | Level 3 | Netting | Total |
|---|---|---|---|---|---|
| (Thousands) | | | | | |
| **As of December 31, 2018** | | | | | |
| **Assets** | | | | | |
| Noncurrent investments, primarily money market funds | $ 2,662 | $ — | $ — | $ — | $ 2,662 |
| Derivatives | | | | | |
| Commodity contracts: | | | | | |
| Electricity | 5,082 | — | — | (3,526) | 1,556 |
| Natural Gas | 890 | — | — | (695) | 195 |
| Other | — | — | — | — | — |
| **Total** | **$ 8,634** | **$ —** | **$ —** | **$ (4,221)** | **$ 4,413** |
| **Liabilities** | | | | | |
| Derivatives | | | | | |
| Commodity contracts: | | | | | |
| Electricity | $ (3,650) | $ — | $ — | $ 3,650 | $ — |
| Natural gas | (694) | — | — | 694 | — |
| Other | — | — | (327) | — | (327) |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Total** | **$** | **(4,344)** | **$** | **—** | **$** | **(327)** | **$** | **4,344** | **$** | **(327)** |

We had no transfers to or from Level 1 and 2 during the year ended December 31, 2019. Our policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstances that causes a transfer, if any.

_Valuation techniques_: We measure the fair value of our noncurrent investments available for sale using quoted market prices in active markets for identical assets and include the measurements in Level 1. The investments which are Rabbi Trusts for deferred compensation plans primarily consist of money market funds.

We determine the fair value of our various derivative assets and liabilities utilizing market approach valuation techniques:

- We enter into electric energy derivative contracts to hedge the forecasted purchases required to serve our electric load obligations. We hedge our electric load obligations using derivative contracts that are settled based upon Locational Based Marginal Pricing published by the NYISO. We hedge approximately 70% of their electric load obligations using contracts for a NYISO location where an active market exists. The forward market prices used to value the companies' open electric energy derivative contracts are based on quotes prices in active markets for identical assets or liabilities with no adjustment required and therefore we include the fair value in Level 1.
- We enter into natural gas derivative contracts to hedge the forecasted purchases required to serve our natural gas load obligations. The forward market prices used to value our open natural gas derivative contracts are exchange-based prices for the identical derivative contracts traded actively on the New York Mercantile Exchange. Because we use prices quoted in an active market, we include those fair value measurements in Level 1.
- We enter into fuel derivative contracts to hedge our unleaded and diesel fuel requirements for our fleet vehicles. Exchange based forward market prices are used but because a basis adjustment is added to the forward prices, we include the fair value measurement for these contracts in Level 3.

The reconciliation of changes in the fair value of financial instruments based on Level 3 inputs for the years ended December 31, 2019 and 2018 consisted of:

| | Derivatives, Net | | | |
|---|---|---|---|---|
| **Years Ended December 31,** | | **2019** | | **2018** |
| **(Thousands)** | | | | |
| Beginning balance | $ | (327) | $ | (41) |
| Realized losses included in earnings | | 166 | | 1 |
| Unrealized gains (losses) included in other comprehensive income | | 89 | | (287) |
| **Ending balance** | **$** | **(72)** | **$** | **(327)** |

The gains and losses included in earnings for the periods above are reported in Operations and maintenance of the statements of income.

## Note 13. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss for the years ended December 31, 2019 and 2018, consisted of:

| | Balance December 31, 2017 | Adoption of new accounting standard | 2018 Change | Balance December 31, 2018 | Adoption of new accounting standard | 2019 Change | Balance December 31, 2019 |
|---|---|---|---|---|---|---|---|
| **(Thousands)** | | | | | | | |
| Net unrealized holding gain on investments | $ 39 | $ — | $ — | $ 39 | $ — | $ (39) | $ — |
| Amortization of pension cost for nonqualified plans, net of tax expense (benefit) of $114 for 2018 and $(100) for 2019 | (1,702) | — | 323 | (1,379) | — | (283) | (1,662) |
| Loss on nonqualified pension plans | — | (54) | — | — | — | — | — |
| Unrealized gain (loss) on derivatives qualified as hedges: | | | | | | | |
| Unrealized gain (loss) during period on derivatives qualified as hedges, net of income tax (benefit) expense of $(75) for 2018 and $37 for 2019 | — | — | (212) | — | — | 105 | — |
| Reclassification adjustment for loss included in net income, net of income tax expense of $0 for 2018 and $43 for 2019 | — | — | 1 | — | (8,643) | 123 | — |
| Reclassification adjustment for loss on settled cash flow treasury hedges included in net income, net of income tax expense of $1,508 for 2018 and $1,235 for 2019 | — | — | 4,260 | — | — | 3,488 | — |
| Net unrealized (loss) gain on derivatives qualified as hedges | (37,695) | — | 4,049 | (33,646) | (8,643) | 3,716 | (38,573) |
| **Accumulated Other Comprehensive (Loss) Income** | **$ (39,358)** | **$ (54)** | **$ 4,372** | **$ (35,040)** | **$ (8,643)** | **$ 3,394** | **$ (40,289)** |

## Note 14. Post-retirement and Similar Obligations

We have funded noncontributory defined benefit pension plans that cover the eligible employees. For most employees, generally those hired before 2002, the plans provide defined benefits based on years of service and final average salary. Employees hired in 2002 or later are covered under a cash balance plan or formula where their benefit accumulates based on a percentage of annual salary and credited interest. During 2013 the company announced that we would freeze the benefits for all non-union employees covered under the cash balance plans effective December 31, 2013. Their earned balances would continue to accrue interest, but would no longer be increased by a percentage of earnings. In place of the pension benefit for these employees, they will receive a minimum contribution to their account under their respective company's defined contribution plan. There was no change to the defined benefit plans for employees covered under the plans that provide defined benefits based on years of service and final average salary.

The company maintains a 401(k) Savings and Retirement Plan (the Plan) for all eligible employees as defined in the Plan agreement. Participants in the Plan may contribute a percentage of their compensation and the company may match a predetermined percentage of the participant contributions. Expenses under the Plan for the Company totaled approximately $3.3 million in 2019 and $3.1 million 2018.

We also have pension and other postretirement health care benefit plans covering substantially all of our employees. The health care plans are contributory with participants' contributions adjusted annually.

Obligations and funded status as of December 31, 2019 and 2018 consisted of:

| | **Pension Benefits** | | **Postretirement Benefits** | |
|---|---|---|---|---|
| **As of December 31,** | **2019** | **2018** | **2019** | **2018** |
| **(Thousands)** | | | | |
| **Change in benefit obligation** | | | | |
| Benefit obligation at January 1 | $ 377,221 | $ 414,289 | $ 64,646 | $ 75,425 |
| Service cost | 5,388 | 5,457 | 148 | 278 |
| Interest cost | 14,114 | 14,084 | 2,440 | 2,644 |
| Plan participants' contributions | — | — | — | 664 |
| Amendments | — | — | — | (3,442) |
| Actuarial loss/(gain) | 20,316 | (15,000) | 2,339 | (5,739) |
| Benefits paid | (38,480) | (41,610) | (3,691) | (5,184) |
| **Benefit obligation at December 31** | **$ 378,559** | **$ 377,220** | **$ 65,882** | **$ 64,646** |
| **Change in plan assets** | | | | |
| Fair value of plan assets at January 1 | $ 266,734 | $ 309,048 | $ — | $ — |
| Actual return on plan assets | 45,639 | (13,681) | — | — |
| Employer and plan participants' contributions | 13,006 | 12,977 | 3,691 | 5,184 |
| Benefits paid | (38,480) | (41,610) | (3,691) | (5,184) |
| **Fair value of plan assets at December 31** | **$ 286,899** | **$ 266,734** | **$ —** | **$ —** |
| **Funded status** | **$ (91,660)** | **$ (110,486)** | **$ (65,882)** | **$ (64,646)** |

Amounts recognized in the balance sheet as of December 31, 2019 and 2018 consisted of:

| **Amounts recognized in the balance sheet December 31,** | **Pension Benefits 2019** | **Pension Benefits 2018** | **Postretirement Benefits 2019** | **Postretirement Benefits 2018** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Other current liabilities | $ — | $ — | $ (5,149) | $ (5,244) |
| Pension and other postretirement benefits | (91,660) | (110,486) | (60,733) | (59,402) |
| **Total** | **$ (91,660)** | **$ (110,486)** | **$ (65,882)** | **$ (64,646)** |

We have determined that we are allowed to defer as regulatory assets or regulatory liabilities items that would otherwise be recorded in accumulated other comprehensive income pursuant to the accounting requirements concerning defined benefit pension and other postretirement plans. Amounts recognized as regulatory assets or regulatory liabilities consist of:

| **December 31,** | **Pension Benefits 2019** | **Pension Benefits 2018** | **Postretirement Benefits 2019** | **Postretirement Benefits 2018** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Net loss (gain) | $ 68,981 | $ 87,928 | $ (2,149) | $ (3,825) |
| Prior service cost (credit) | $ — | $ — | $ (3,758) | $ (5,149) |

Our accumulated benefit obligation for all defined benefit pension plans was $349.5 million at December 31, 2019 and $349.5 million at December 31, 2018.

The projected benefit obligation and the accumulated benefit obligation exceeded the fair value of pension plan assets as of both December 31, 2019 and 2018. The following table shows the aggregate projected and accumulated benefit obligations and the fair value of plan assets as of December 31, 2019 and 2018.

| **December 31,** | **2019** | **2018** |
|---|---|---|
| **(Thousands)** | | |
| Projected benefit obligation | $ 378,559 | $ 377,220 |
| Accumulated benefit obligation | $ 349,475 | $ 349,547 |
| Fair value of plan assets | $ 286,899 | $ 266,734 |

Components of net periodic benefit cost and other changes in plan assets and benefit obligations recognized in income and regulatory assets and liabilities for the years ended December 31, 2019 and 2018 consisted of:

| **Years Ended December 31,** | **Pension Benefits 2019** | **Pension Benefits 2018** | **Postretirement Benefits 2019** | **Postretirement Benefits 2018** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| **Net periodic benefit cost** | | | | |

| | | | | |
|---|---|---|---|---|
| Service cost | $ 5,388 $ | 5,457 $ | 148 $ | 278 |
| Interest cost | 14,114 | 14,084 | 2,440 | 2,644 |
| Expected return on plan assets | (20,437) | (21,028) | — | — |
| Amortization of prior service cost (credit) | — | 222 | (1,390) | (1,082) |
| Amortization of net loss | 14,062 | 27,059 | 663 | 1,314 |
| **Net periodic benefit cost** | **$ 13,127 $** | **25,794 $** | **1,861 $** | **3,154** |
| **Other changes in plan assets and benefit obligations recognized in regulatory assets and regulatory liabilities** | | | | |
| Net (gain) loss | $ (4,886)$ | 19,708 $ | 2,339 $ | (5,739) |
| Amortization of net (loss) | (14,062) | (27,059) | (663) | (1,314) |
| Prior service credit/(cost) | — | — | 1,390 | (3,442) |
| Amortization of prior service (cost) credit | — | (223) | — | 1,082 |
| Total recognized in regulatory assets and regulatory liabilities | (18,948) | (7,574) | 3,066 | (9,413) |
| **Total recognized in net periodic benefit cost and regulatory assets and regulatory liabilities** | **$ (5,821)$** | **18,220 $** | **4,927 $** | **(6,259)** |

We include the service component of net periodic benefit cost in other operating expenses and the non-service component in other income and deductions. The net periodic benefit cost for postretirement benefits represents the amount expensed for providing health care benefits to retirees and their eligible dependents.

Amounts expected to be amortized from regulatory assets or liabilities into net periodic benefit cost for the year ending December 31, 2020 consist of:

| | **Pension Benefits** | **Postretirement Benefits** |
|---|---|---|
| **(Thousands)** | | |
| Estimated net loss | $ 15,454 $ | 644 |
| Estimated prior service cost (credit) | $ — $ | (1,390) |

We expect that no pension benefit or postretirement benefit plan assets will be returned to us during the fiscal year ending December 31, 2020.

The weighted-average assumptions used to determine benefit obligations as of December 31, 2019 and 2018 consisted of:

| | **Pension Benefits** | | **Postretirement Benefits** | |
|---|---|---|---|---|
| | **2019** | **2018** | **2019** | **2018** |

| | | | | |
| --- | --- | --- | --- | --- |
| Discount rate | 2.93% | 3.93% | 2.93% | 3.93% |
| Rate of compensation increase | Age-Related Rates | 3.90% | Age-Related Rates | N/A |

The discount rate is the rate at which the benefit obligations could presently be effectively settled. We determined the discount rate by developing a yield curve derived from a portfolio of high grade non-callable bonds with above median yields that closely matches the duration of the expected cash flows of our benefit obligations.

The weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31, 2019 and 2018 consisted of:

| | **Pension Benefits** | | **Postretirement Benefits** | |
| --- | --- | --- | --- | --- |
| | **2019** | **2018** | **2019** | **2018** |
| Discount rate | 3.93% | 3.63% | 3.93% | 3.63% |
| Expected long-term return on plan assets | 7.30% | 7.30% | — | — |
| Expected long-term return on plan assets - nontaxable trust | — | — | 6.40% | 6.40% |
| Expected long-term return on plan assets - taxable trust | — | — | 4.20% | 4.20% |
| Rate of compensation increase | 3.90% | 4.00% | Age-Related Rates | Age-Related Rates |

We developed our expected long-term rate of return on plan assets assumption based on a review of long-term historical returns for the major asset classes, the target asset allocations and the effect of rebalancing of plan assets discussed below. That analysis considered current capital market conditions and projected conditions. Our policy is to calculate the expected return on plan assets using the market related value of assets. We amortize unrecognized actuarial gains and losses over 10 years from the time they are incurred.

Assumed health care cost trend rates used to determine benefit obligations as of December 31, 2019 and 2018 consisted of:

| | **2019** | **2018** |
| --- | --- | --- |
| Health care cost trend rate (pre 65/post 65) | 6.75%/7.50% | 7.00%/7.75% |
| Rate to which cost trend rate is assumed to decline (the ultimate trend rate) | 4.50% | 4.50% |
| Year that the rate reaches the ultimate trend rate | 2029/2027 | 2029/2027 |

The assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plans. Due to the RG&E retirees having moved into a different program, it is no longer sensitive to medical trend changes. The company is limited to a specific dollar amount and will not change in the future.

***Contributions***: In accordance with our funding policy, we make annual contributions of not less than the minimum required by applicable regulations. We expect to contribute $12.4 million to our pension benefit plans in 2020.

***Estimated future benefit payments***: Our expected benefit payments and expected Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Medicare Act) subsidy receipts, which reflect expected future service, as appropriate, are:

| | Pension Benefits | Postretirement Benefits | Medicare Act Subsidy Receipts |
|---|---|---|---|
| **(Thousands)** | | | |
| 2020 | $ 35,588 | $ 5,152 | $ — |
| 2021 | $ 34,391 | $ 5,049 | $ — |
| 2022 | $ 34,078 | $ 4,927 | $ — |
| 2023 | $ 33,614 | $ 4,808 | $ — |
| 2024 | $ 32,709 | $ 4,658 | $ — |
| 2025-2029 | $ 143,807 | $ 20,990 | $ — |

***Plan assets:*** Our pension benefits plan assets are held in a master trust providing for a single trustee/custodian, a uniform investment manager lineup, and an efficient, cost-effective means of allocating expenses and investment performance to each plan under the master trust. Our primary investment objective is to ensure that current and future benefit obligations are adequately funded and with volatility commensurate with our tolerance for risk. Preservation of capital and achievement of sufficient total return to fund accrued and future benefits obligations are of highest concern. Our primary means for achieving capital preservation is through diversification of the trust's investments while avoiding significant concentrations of risk in any one area of the securities markets. Within each asset group, further diversification is achieved through utilizing multiple asset managers and systematic allocation to various asset classes; providing broad exposure to different segments of the equity, fixed-income and alternative investment markets.

Networks' asset allocation policy is the most important consideration in achieving our objective of superior investment returns while minimizing risk. We have established a target asset allocation policy within allowable ranges for our pension benefits plan assets within broad categories of asset classes made up of Return-Seeking and Liability-Hedging investments. Within the Return-Seeking category, we have targets of 35%-53% in equity securities, 40%-45% for Liability-Hedging assets and 7%-20% for alternative investments. Return-Seeking investments generally consist of domestic, international, global, and emerging market equities invested in companies across all market capitalization ranges. Return-Seeking assets also include investments in real estate, absolute return, and strategic markets. Liability-Hedging investments generally consist of long-term corporate bonds, annuity contracts, long-term treasury STRIPS, and opportunistic fixed income investments. Systematic rebalancing within the target ranges increases the probability that the annualized return on the investments will be enhanced, while realizing lower overall risk, should any asset categories drift outside their specified ranges.

The fair values of pension benefits plan assets, by asset category, as of December 31, 2019, consisted of:

| | | Fair Value Measurements at December 31, Using | | |
|---|---|---|---|---|
| **Asset Category** | **Total** | **Level 1** | **Level 2** | **Level 3** |
| **(Thousands)** | | | | |
| **2019** | | | | |
| Cash and cash equivalents | $ 4,980 | $ 1 | $ 4,979 | $ — |
| U.S. government securities | 12,107 | 12,107 | — | — |
| Registered investment companies | 45,540 | 45,540 | — | — |
| Corporate bonds | 63,824 | — | 63,824 | — |
| Preferred stocks | 179 | 179 | — | — |
| Other investments, principally annuity and fixed income | 11,783 | — | 11,783 | — |
| | **$ 138,413** | **$ 57,827** | **$ 80,586** | **$ —** |
| Other investments measured at net asset value | 148,486 | | | |
| **Total** | **$ 286,899** | | | |

The fair values of pension benefits plan assets, by asset category, as of December 31, 2018, consisted of:

| | | Fair Value Measurements at December 31, Using | | |
|---|---|---|---|---|
| **Asset Category** | **Total** | **Level 1** | **Level 2** | **Level 3** |
| **(Thousands)** | | | | |
| **2018** | | | | |
| Cash and cash equivalents | $ 5,490 | $ — | $ 5,490 | $ — |
| U.S. government securities | 1,609 | 1,609 | — | — |
| Common stocks | 10 | 10 | — | — |
| Registered investment companies | 23,006 | 23,006 | — | — |
| Corporate bonds | 43,856 | — | 43,856 | — |
| Preferred stocks | 374 | 29 | 345 | — |
| Equity commingled funds | 86,411 | 19,075 | 67,336 | — |
| Other investments, principally annuity and fixed income | 7,589 | — | 7,589 | — |
| | **$ 168,345** | **$ 43,729** | **$ 124,616** | **$ —** |
| Other investments measured at net asset value | 98,389 | | | |
| **Total** | **$ 266,734** | | | |

*Valuation techniques*: We value our pension benefits plan assets as follows:

- Cash and cash equivalents - Level 1: at cost, plus accrued interest, which approximates fair value. Level 2: proprietary cash associated with other investments, based on yields currently available on comparable securities of issuers with similar credit ratings.
- U.S. government securities, common stocks and registered investment companies - at the closing price reported in the active market in which the security is traded.
- Corporate bonds - based on yields currently available on comparable securities of issuers with similar credit ratings.
- Preferred stocks - at the closing price reported in the active market in which the individual investment is traded.
- Equity commingled funds – the fair value is primarily derived from the quoted prices in active markets of the underlying securities. Because the fund shares are offered to a limited group of investors, they are not considered to be traded in an active market.
- Other investments, principally annuity and fixed income - Level 1: at the closing price reported in the active market in which the individual investment is traded. Level 2: based on yields currently available on comparable securities of issuers with similar credit ratings. Level 3: when quoted prices are not available for identical or similar instruments, under a discounted cash flows approach that maximizes observable inputs such as current yields of similar instruments but includes adjustments for certain risks that may not be observable such as credit and liquidity risks.
- Other investments measured at net asset value (NAV) – alternative investments, such as private equity and real estate oriented investments, partnership/joint ventures and hedge funds are valued using the NAV as a practical expedient.

Pension plan equity securities did not include any AGR and Iberdrola common stock as of both December 31, 2019 and 2018.

## Note 15. Other Income and Other Deductions

Other income and deductions for the years ended December 31, 2019 and 2018, consisted of:

| **Years Ended December 31,** | | **2019** | | **2018** |
|---|---|---|---|---|
| **(Thousands)** | | | | |
| Interest and dividend income | $ | 991 | $ | 1,781 |
| Allowance for funds used during construction | | 15,879 | | 11,533 |
| Gain on sale of property | | 9 | | 60 |
| Carrying costs on regulatory assets | | 6,719 | | 7,175 |
| Miscellaneous | | 523 | | 89 |
| **Total other income** | **$** | **24,121** | **$** | **20,638** |
| Pension non-service components | $ | (9,675) | $ | (23,817) |

| | | | |
|---|---|---|---|
| Miscellaneous | | (2,668) | (589) |
| **Total other deductions** | **$** | **(12,343)$** | **(24,406)** |

### Note 16. Related Party Transactions

Certain Networks subsidiaries borrow from AGR, the parent of Networks, through intercompany revolving credit agreements, including RG&E. For RG&E the intercompany revolving credit agreements provide access to supplemental liquidity. See Note 7 for further detail on the credit facility with AGR.

Avangrid Service Company provides some administrative and management services to Networks operating utilities, including RG&E, pursuant to service agreements. The cost of those services is allocated in accordance with methodologies set forth in the service agreements. The cost allocation methodologies vary depending on the type of service provided. Management believes such allocations are reasonable. The cost for services provided to RG&E by AGR and its affiliates were approximately $52.9 million in 2019 and $52.8 million in 2018 and the charge for services provided by RG&E to AGR and its subsidiaries were approximately $14.4 million in 2019 and $14.6 million in 2018. All charges for services are at cost. All of the charges associated with services provided are recorded as revenues to offset other operating expenses on the financial statements. The balance in accounts payable to affiliates of $12.3 million at December 31, 2019 and $42.7 million at December 31, 2018 is mostly payable to Avangrid Service Company.

There were no notes receivable from affiliates at December 31, 2019. Of the balance of $106.4 million at December 31, 2018, $91.8 million is from the UIL companies and $14.6 million is from NYSEG. Notes receivable from affiliates relate to the Virtual Money Pool Agreement as discussed in Note 7 of these financial statements.

AGR, on behalf of RG&E, guarantees $123 million to fund the clean-up of the GNPP.

### Note 17. Subsequent Events

The company has performed a review of subsequent events through March 31, 2020, which is the date these financial statements were available to be issued.

In March 2020 the World Health Organization declared a global pandemic due to the outbreak of COVID-19. The company is assessing the possible impacts to our business and financial results.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

| Line No. | Item (a) | Unrealized Gains and Losses on Available-for-Sale Securities (b) | Minimum Pension Liability adjustment (net amount) (c) | Foreign Currency Hedges (d) | Other Adjustments (e) |
|---|---|---|---|---|---|
| 1 | Balance of Account 219 at Beginning of Preceding Year | 54,258 | ( 1,700,963) | | |
| 2 | Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income | ( 54,258) | | | |
| 3 | Preceding Quarter/Year to Date Changes in Fair Value | | 323,526 | | |
| 4 | Total (lines 2 and 3) | ( 54,258) | 323,526 | | |
| 5 | Balance of Account 219 at End of Preceding Quarter/Year | | ( 1,377,437) | | |
| 6 | Balance of Account 219 at Beginning of Current Year | | ( 1,377,437) | | |
| 7 | Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income | | | | |
| 8 | Current Quarter/Year to Date Changes in Fair Value | | ( 282,678) | | |
| 9 | Total (lines 7 and 8) | | ( 282,678) | | |
| 10 | Balance of Account 219 at End of Current Quarter/Year | | ( 1,660,115) | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

| Line No. | Other Cash Flow Hedges Interest Rate Swaps (f) | Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g) | Totals for each category of items recorded in Account 219 (h) | Net Income (Carried Forward from Page 117, Line 78) (i) | Total Comprehensive Income (j) |
|---|---|---|---|---|---|
| 1 | ( 37,961,773) | 250,260 | ( 39,358,218) | [redacted] | [redacted] |
| 2 | 4,260,267 | 564 | 4,206,573 | [redacted] | [redacted] |
| 3 | | ( 211,921) | 111,605 | [redacted] | [redacted] |
| 4 | 4,260,267 | ( 211,357) | 4,318,178 | 94,128,847 | 98,447,025 |
| 5 | ( 33,701,506) | 38,903 | ( 35,040,040) | [redacted] | [redacted] |
| 6 | ( 33,701,506) | 38,903 | ( 35,040,040) | [redacted] | [redacted] |
| 7 | ( 4,874,018) | ( 59,932) | ( 4,933,950) | [redacted] | [redacted] |
| 8 | | ( 32,134) | ( 314,812) | [redacted] | [redacted] |
| 9 | ( 4,874,018) | ( 92,066) | ( 5,248,762) | 94,855,112 | 89,606,350 |
| 10 | ( 38,575,524) | ( 53,163) | ( 40,288,802) | [redacted] | [redacted] |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

| Line No. | Classification<br>(a) | Total Company for the Current Year/Quarter Ended<br>(b) | Electric<br>(c) |
|---|---|---|---|
| 1 | Utility Plant | | |
| 2 | In Service | | |
| 3 | Plant in Service (Classified) | 3,485,020,872 | 2,203,421,412 |
| 4 | Property Under Capital Leases | 18,776,486 | 2,967 |
| 5 | Plant Purchased or Sold | | |
| 6 | Completed Construction not Classified | 468,055,002 | 382,128,287 |
| 7 | Experimental Plant Unclassified | | |
| 8 | Total (3 thru 7) | 3,971,852,360 | 2,585,552,666 |
| 9 | Leased to Others | | |
| 10 | Held for Future Use | 448,666 | 448,666 |
| 11 | Construction Work in Progress | 404,946,526 | 364,653,831 |
| 12 | Acquisition Adjustments | | |
| 13 | Total Utility Plant (8 thru 12) | 4,377,247,552 | 2,950,655,163 |
| 14 | Accum Prov for Depr, Amort, & Depl | 1,247,387,623 | 689,715,090 |
| 15 | Net Utility Plant (13 less 14) | 3,129,859,929 | 2,260,940,073 |
| 16 | Detail of Accum Prov for Depr, Amort & Depl | | |
| 17 | In Service: | | |
| 18 | Depreciation | 1,142,615,608 | 687,190,328 |
| 19 | Amort & Depl of Producing Nat Gas Land/Land Right | | |
| 20 | Amort of Underground Storage Land/Land Rights | | |
| 21 | Amort of Other Utility Plant | 104,772,015 | 2,524,762 |
| 22 | Total In Service (18 thru 21) | 1,247,387,623 | 689,715,090 |
| 23 | Leased to Others | | |
| 24 | Depreciation | | |
| 25 | Amortization and Depletion | | |
| 26 | Total Leased to Others (24 & 25) | | |
| 27 | Held for Future Use | | |
| 28 | Depreciation | | |
| 29 | Amortization | | |
| 30 | Total Held for Future Use (28 & 29) | | |
| 31 | Abandonment of Leases (Natural Gas) | | |
| 32 | Amort of Plant Acquisition Adj | | |
| 33 | Total Accum Prov (equals 14) (22,26,30,31,32) | 1,247,387,623 | 689,715,090 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION. AMORTIZATION AND DEPLETION

| Gas<br>(d) | Other (Specify)<br>(e) | Other (Specify)<br>(f) | Other (Specify)<br>(g) | Common<br>(h) | Line No. |
|---|---|---|---|---|---|
| | | | | | 1 |
| | | | | | 2 |
| 909,737,963 | | | | 371,861,497 | 3 |
| | | | | 18,773,519 | 4 |
| | | | | | 5 |
| 84,455,185 | | | | 1,471,530 | 6 |
| | | | | | 7 |
| 994,193,148 | | | | 392,106,546 | 8 |
| | | | | | 9 |
| | | | | | 10 |
| 28,721,880 | | | | 11,570,815 | 11 |
| | | | | | 12 |
| 1,022,915,028 | | | | 403,677,361 | 13 |
| 366,650,381 | | | | 191,022,152 | 14 |
| 656,264,647 | | | | 212,655,209 | 15 |
| | | | | | 16 |
| | | | | | 17 |
| 365,617,469 | | | | 89,807,811 | 18 |
| | | | | | 19 |
| | | | | | 20 |
| 1,032,912 | | | | 101,214,341 | 21 |
| 366,650,381 | | | | 191,022,152 | 22 |
| | | | | | 23 |
| | | | | | 24 |
| | | | | | 25 |
| | | | | | 26 |
| | | | | | 27 |
| | | | | | 28 |
| | | | | | 29 |
| | | | | | 30 |
| | | | | | 31 |
| | | | | | 32 |
| 366,650,381 | | | | 191,022,152 | 33 |

| Name of Respondent | This Report is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) X An Original<br>(2) _ A Resubmission | / / | 2019/Q4 |

FOOTNOTE DATA

***Schedule Page: 200 Line No.: 4 Column: b***

| | |
|---|---|
| **Capital** | 9,466,346 |
| **Operating** | 9,310,140 |
| **TOTAL Leases** | **18,776,486** |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

| Line No. | Description of item<br>(a) | Balance Beginning of Year<br>(b) | Changes during Year<br>Additions<br>(c) |
|---|---|---|---|
| 1 | Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1) | | |
| 2 | Fabrication | | |
| 3 | Nuclear Materials | | |
| 4 | Allowance for Funds Used during Construction | | |
| 5 | (Other Overhead Construction Costs, provide details in footnote) | | |
| 6 | SUBTOTAL (Total 2 thru 5) | | |
| 7 | Nuclear Fuel Materials and Assemblies | | |
| 8 | In Stock (120.2) | | |
| 9 | In Reactor (120.3) | | |
| 10 | SUBTOTAL (Total 8 & 9) | | |
| 11 | Spent Nuclear Fuel (120.4) | | |
| 12 | Nuclear Fuel Under Capital Leases (120.6) | | |
| 13 | (Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5) | | |
| 14 | TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13) | | |
| 15 | Estimated net Salvage Value of Nuclear Materials in line 9 | | |
| 16 | Estimated net Salvage Value of Nuclear Materials in line 11 | | |
| 17 | Est Net Salvage Value of Nuclear Materials in Chemical Processing | | |
| 18 | Nuclear Materials held for Sale (157) | | |
| 19 | Uranium | | |
| 20 | Plutonium | | |
| 21 | Other (provide details in footnote): | | |
| 22 | TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21) | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

| Changes during Year: Amortization (d) | Changes during Year: Other Reductions (Explain in a footnote) (e) | Balance End of Year (f) | Line No. |
|---|---|---|---|
| | | | 1 |
| | | | 2 |
| | | | 3 |
| | | | 4 |
| | | | 5 |
| | | | 6 |
| | | | 7 |
| | | | 8 |
| | | | 9 |
| | | | 10 |
| | | | 11 |
| | | | 12 |
| | | | 13 |
| | | | 14 |
| | | | 15 |
| | | | 16 |
| | | | 17 |
| | | | 18 |
| | | | 19 |
| | | | 20 |
| | | | 21 |
| | | | 22 |

| Name of Respondent | This Report Is: | Date of Report | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | (Mo, Da, Yr)<br>/ / | End of 2019/Q4 |

## ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

| Line No. | Account (a) | Balance Beginning of Year (b) | Additions (c) |
|---|---|---|---|
| 1 | 1. INTANGIBLE PLANT | | |
| 2 | (301) Organization | | |
| 3 | (302) Franchises and Consents | | |
| 4 | (303) Miscellaneous Intangible Plant | 2,738,115 | |
| 5 | TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4) | 2,738,115 | |
| 6 | 2. PRODUCTION PLANT | | |
| 7 | A. Steam Production Plant | | |
| 8 | (310) Land and Land Rights | | |
| 9 | (311) Structures and Improvements | | |
| 10 | (312) Boiler Plant Equipment | | |
| 11 | (313) Engines and Engine-Driven Generators | | |
| 12 | (314) Turbogenerator Units | | |
| 13 | (315) Accessory Electric Equipment | | |
| 14 | (316) Misc. Power Plant Equipment | | |
| 15 | (317) Asset Retirement Costs for Steam Production | | |
| 16 | TOTAL Steam Production Plant (Enter Total of lines 8 thru 15) | | |
| 17 | B. Nuclear Production Plant | | |
| 18 | (320) Land and Land Rights | | |
| 19 | (321) Structures and Improvements | | |
| 20 | (322) Reactor Plant Equipment | | |
| 21 | (323) Turbogenerator Units | | |
| 22 | (324) Accessory Electric Equipment | | |
| 23 | (325) Misc. Power Plant Equipment | | |
| 24 | (326) Asset Retirement Costs for Nuclear Production | | |
| 25 | TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24) | | |
| 26 | C. Hydraulic Production Plant | | |
| 27 | (330) Land and Land Rights | 4,534,200 | |
| 28 | (331) Structures and Improvements | 16,773,825 | 62,270 |
| 29 | (332) Reservoirs, Dams, and Waterways | 88,856,694 | 3,485,204 |
| 30 | (333) Water Wheels, Turbines, and Generators | 17,830,767 | 35,489 |
| 31 | (334) Accessory Electric Equipment | 8,345,967 | 2,249 |
| 32 | (335) Misc. Power PLant Equipment | 550,541 | |
| 33 | (336) Roads, Railroads, and Bridges | 1,753,036 | |
| 34 | (337) Asset Retirement Costs for Hydraulic Production | | |
| 35 | TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34) | 138,645,030 | 3,585,212 |
| 36 | D. Other Production Plant | | |
| 37 | (340) Land and Land Rights | | |
| 38 | (341) Structures and Improvements | | |
| 39 | (342) Fuel Holders, Products, and Accessories | | |
| 40 | (343) Prime Movers | | |
| 41 | (344) Generators | 1,855,949 | |
| 42 | (345) Accessory Electric Equipment | 120,783 | |
| 43 | (346) Misc. Power Plant Equipment | | |
| 44 | (347) Asset Retirement Costs for Other Production | | |
| 45 | TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44) | 1,976,732 | |
| 46 | TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45) | 140,621,762 | 3,585,212 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.
7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.
9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

| Retirements (d) | Adjustments (e) | Transfers (f) | Balance at End of Year (g) | | Line No. |
|---|---|---|---|---|---|
| | | | | | 1 |
| | | | | | 2 |
| | | | | | 3 |
| | | | 2,738,115 | | 4 |
| | | | 2,738,115 | | 5 |
| | | | | | 6 |
| | | | | | 7 |
| | | | | | 8 |
| | | | | | 9 |
| | | | | | 10 |
| | | | | | 11 |
| | | | | | 12 |
| | | | | | 13 |
| | | | | | 14 |
| | | | | | 15 |
| | | | | | 16 |
| | | | | | 17 |
| | | | | | 18 |
| | | | | | 19 |
| | | | | | 20 |
| | | | | | 21 |
| | | | | | 22 |
| | | | | | 23 |
| | | | | | 24 |
| | | | | | 25 |
| | | | | | 26 |
| | | | 4,534,200 | | 27 |
| | | | 16,836,095 | | 28 |
| | | | 92,341,898 | | 29 |
| | | | 17,866,256 | | 30 |
| | | | 8,348,216 | | 31 |
| | | | 550,541 | | 32 |
| | | | 1,753,036 | | 33 |
| | | | | | 34 |
| | | | 142,230,242 | | 35 |
| | | | | | 36 |
| | | | | | 37 |
| | | | | | 38 |
| | | | | | 39 |
| | | | | | 40 |
| | | | 1,855,949 | | 41 |
| | | | 120,783 | | 42 |
| | | | | | 43 |
| | | | | | 44 |
| | | | 1,976,732 | | 45 |
| | | | 144,206,974 | | 46 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

| Line No. | Account<br>(a) | Balance Beginning of Year<br>(b) | Additions<br>(c) |
|---|---|---|---|
| 47 | 3. TRANSMISSION PLANT | | |
| 48 | (350) Land and Land Rights | 14,867,746 | 220,298 |
| 49 | (352) Structures and Improvements | 20,880,051 | |
| 50 | (353) Station Equipment | 585,355,505 | 23,199,595 |
| 51 | (354) Towers and Fixtures | 5,846,986 | |
| 52 | (355) Poles and Fixtures | 70,095,778 | 110,334 |
| 53 | (356) Overhead Conductors and Devices | 67,894,566 | 43,610,128 |
| 54 | (357) Underground Conduit | 20,962,508 | |
| 55 | (358) Underground Conductors and Devices | 159,013,712 | -1,139,641 |
| 56 | (359) Roads and Trails | | |
| 57 | (359.1) Asset Retirement Costs for Transmission Plant | 174,568 | |
| 58 | TOTAL Transmission Plant (Enter Total of lines 48 thru 57) | 945,091,420 | 66,000,714 |
| 59 | 4. DISTRIBUTION PLANT | | |
| 60 | (360) Land and Land Rights | 10,541,734 | 24,885 |
| 61 | (361) Structures and Improvements | 11,974,348 | |
| 62 | (362) Station Equipment | 292,879,288 | 54,322,322 |
| 63 | (363) Storage Battery Equipment | | |
| 64 | (364) Poles, Towers, and Fixtures | 167,247,387 | 5,846,154 |
| 65 | (365) Overhead Conductors and Devices | 172,544,545 | 16,676,512 |
| 66 | (366) Underground Conduit | 177,790,937 | 41,191 |
| 67 | (367) Underground Conductors and Devices | 212,574,891 | 6,955,725 |
| 68 | (368) Line Transformers | 163,117,415 | 4,197,473 |
| 69 | (369) Services | 43,425,409 | 116,195 |
| 70 | (370) Meters | 43,845,556 | 994,500 |
| 71 | (371) Installations on Customer Premises | | |
| 72 | (372) Leased Property on Customer Premises | | |
| 73 | (373) Street Lighting and Signal Systems | 18,806,195 | 425,266 |
| 74 | (374) Asset Retirement Costs for Distribution Plant | | |
| 75 | TOTAL Distribution Plant (Enter Total of lines 60 thru 74) | 1,314,747,705 | 89,600,223 |
| 76 | 5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT | | |
| 77 | (380) Land and Land Rights | | |
| 78 | (381) Structures and Improvements | | |
| 79 | (382) Computer Hardware | | |
| 80 | (383) Computer Software | | |
| 81 | (384) Communication Equipment | | |
| 82 | (385) Miscellaneous Regional Transmission and Market Operation Plant | | |
| 83 | (386) Asset Retirement Costs for Regional Transmission and Market Oper | | |
| 84 | TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83) | | |
| 85 | 6. GENERAL PLANT | | |
| 86 | (389) Land and Land Rights | 68,986 | |
| 87 | (390) Structures and Improvements | 1,134,957 | |
| 88 | (391) Office Furniture and Equipment | 6,466,992 | 103,167 |
| 89 | (392) Transportation Equipment | | |
| 90 | (393) Stores Equipment | | |
| 91 | (394) Tools, Shop and Garage Equipment | 8,740,672 | 427,465 |
| 92 | (395) Laboratory Equipment | 1,510,865 | |
| 93 | (396) Power Operated Equipment | | |
| 94 | (397) Communication Equipment | 15,883,750 | 342,242 |
| 95 | (398) Miscellaneous Equipment | 135,142 | 23,651 |
| 96 | SUBTOTAL (Enter Total of lines 86 thru 95) | 33,941,364 | 896,525 |
| 97 | (399) Other Tangible Property | | |
| 98 | (399.1) Asset Retirement Costs for General Plant | | |
| 99 | TOTAL General Plant (Enter Total of lines 96, 97 and 98) | 33,941,364 | 896,525 |
| 100 | TOTAL (Accounts 101 and 106) | 2,437,140,366 | 160,082,674 |
| 101 | (102) Electric Plant Purchased (See Instr. 8) | | |
| 102 | (Less) (102) Electric Plant Sold (See Instr. 8) | | |
| 103 | (103) Experimental Plant Unclassified | | |
| 104 | TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103) | 2,437,140,366 | 160,082,674 |

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

| Retirements (d) | Adjustments (e) | Transfers (f) | Balance at End of Year (g) | | Line No. |
|---|---|---|---|---|---|
| | | | | | 47 |
| | | | 15,088,044 | | 48 |
| 377,456 | | | 20,502,595 | | 49 |
| 7,187,415 | | 7,301,401 | 608,669,086 | | 50 |
| | | | 5,846,986 | | 51 |
| 2,711 | | 2,980,871 | 73,184,272 | | 52 |
| 21,336 | | -3,528,955 | 107,954,403 | | 53 |
| | | 478,833 | 21,441,341 | | 54 |
| | | 69,250 | 157,943,321 | | 55 |
| | | | | | 56 |
| 13,267 | | | 161,301 | | 57 |
| 7,602,185 | | 7,301,400 | 1,010,791,349 | | 58 |
| | | | | | 59 |
| | | | 10,566,619 | | 60 |
| | | | 11,974,348 | | 61 |
| 190,406 | | -7,249,328 | 339,761,876 | | 62 |
| | | | | | 63 |
| 603,368 | | 9,419,902 | 181,910,075 | | 64 |
| 243,024 | | -7,642,980 | 181,335,053 | | 65 |
| 36,283 | | 576,288 | 178,372,133 | | 66 |
| 338,347 | | -8,595,324 | 210,596,945 | | 67 |
| 906,246 | | 155,685 | 166,564,327 | | 68 |
| 113,885 | | 6,036,672 | 49,464,391 | | 69 |
| 544,776 | | | 44,295,280 | | 70 |
| | | | | | 71 |
| | | | | | 72 |
| 1,075,546 | | -2,315 | 18,153,600 | | 73 |
| | | | | | 74 |
| 4,051,881 | | -7,301,400 | 1,392,994,647 | | 75 |
| | | | | | 76 |
| | | | | | 77 |
| | | | | | 78 |
| | | | | | 79 |
| | | | | | 80 |
| | | | | | 81 |
| | | | | | 82 |
| | | | | | 83 |
| | | | | | 84 |
| | | | | | 85 |
| | | | 68,986 | | 86 |
| | | | 1,134,957 | | 87 |
| 19,275 | | | 6,550,884 | | 88 |
| | | | | | 89 |
| | | | | | 90 |
| | | | 9,168,137 | | 91 |
| | | | 1,510,865 | | 92 |
| | | | | | 93 |
| | | | 16,225,992 | | 94 |
| | | | 158,793 | | 95 |
| 19,275 | | | 34,818,614 | | 96 |
| | | | | | 97 |
| | | | | | 98 |
| 19,275 | | | 34,818,614 | | 99 |
| 11,673,341 | | | 2,585,549,699 | | 100 |
| | | | | | 101 |
| | | | | | 102 |
| | | | | | 103 |
| 11,673,341 | | | 2,585,549,699 | | 104 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## ELECTRIC PLANT LEASED TO OTHERS (Account 104)

| Line No. | Name of Lessee (Designate associated companies with a double asterisk) (a) | Description of Property Leased (b) | Commission Authorization (c) | Expiration Date of Lease (d) | Balance at End of Year (e) |
|---|---|---|---|---|---|
| 1 | None | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
| 45 | | | | | |
| 46 | | | | | |
| 47 | TOTAL | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of $250,000 or more. Group other items of property held for future use.
2. For property having an original cost of $250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

| Line No. | Description and Location Of Property (a) | Date Originally Included in This Account (b) | Date Expected to be used in Utility Service (c) | Balance at End of Year (d) |
|---|---|---|---|---|
| 1 | Land and Rights: | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | Other Property: | | | |
| 22 | Original Cost of Property Less than $250,000 Per | | | |
| 23 | Item: | | | |
| 24 | 8 Parcels in Various Locations | | | 448,666 |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 37 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |
| 43 | | | | |
| 44 | | | | |
| 45 | | | | |
| 46 | | | | |
| 47 | Total | | | 448,666 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or $1,000,000, whichever is less) may be grouped.

| Line No. | Description of Project<br>(a) | Construction work in progress - Electric (Account 107)<br>(b) |
|---|---|---|
| 1 | Hydro Generation Property | |
| 2 | Station 5 Headgates/Dam Projects and Station Upgrades | 8,574,421 |
| 3 | Hydro Stations Equipment | 3,556,291 |
| 4 | Station 2 Modernization and Intake Modification | 2,861,990 |
| 5 | Station 26 Drift Tube and Tailrace wall | 2,220,591 |
| 6 | Supervisory Control and Data Acquisition/Automation Projects | 1,907,612 |
| 7 | | |
| 8 | Transmission Property | |
| 9 | Substation 255 New Source | 90,419,136 |
| 10 | Transmission Line 940 New Circuit | 78,737,629 |
| 11 | Transmission Line 941 New Circuit | 41,783,349 |
| 12 | Transmission Line 40 New Circuit | 13,225,992 |
| 13 | Bulk Energy Supply Program | 7,099,427 |
| 14 | Substation 168 Upgrades | 6,401,447 |
| 15 | Cable Replacements | 5,767,023 |
| 16 | Substation 418 Upgrades | 4,110,455 |
| 17 | Substation 23 Fiber Ring | 3,555,919 |
| 18 | North American Electric Reliability Corporation Alert | 2,838,214 |
| 19 | Transmission Line 901-902 Replacement | 2,827,533 |
| 20 | Substation 26 Upgrades | 2,595,331 |
| 21 | Substation 23 Upgrades | 2,254,460 |
| 22 | Transmission Line 40-New York Pennsylvania Line Connection | 2,202,036 |
| 23 | Pilot Wire System Replacements | 1,696,523 |
| 24 | Supervisory Control and Data Acquisition/Automation Projects | 1,226,179 |
| 25 | Pole Hardening and Resiliency | 1,224,017 |
| 26 | | |
| 27 | Distribution Property | |
| 28 | Substation 5 Modernization | 10,483,011 |
| 29 | Substation 418 Upgrades | 4,879,022 |
| 30 | Grid Automation | 4,457,911 |
| 31 | Substation 43 Modernization | 3,850,989 |
| 32 | Substation 210 Upgrades | 3,170,313 |
| 33 | Line 940 New Circuit | 2,569,578 |
| 34 | Breaker Program | 2,304,176 |
| 35 | Substation 46 Transformer Upgrades | 2,188,199 |
| 36 | Distribution Line Upgrades | 2,132,673 |
| 37 | Substation 5 Circuits | 2,129,756 |
| 38 | Substation 37 Modernization | 1,710,140 |
| 39 | Substation 168 Upgrades | 1,593,493 |
| 40 | Substation 117 Distribution | 1,548,195 |
| 41 | Pilot Wire System Replacements | 1,534,609 |
| 42 | Line 941 New Circuit | 1,525,516 |
| 43 | TOTAL | 364,653,831 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or $1,000,000, whichever is less) may be grouped.

| Line No. | Description of Project (a) | Construction work in progress - Electric (Account 107) (b) |
|---|---|---|
| 1 | | |
| 2 | Distribution Property continued: | |
| 3 | Automate SAP Customer Care System General Billing | 1,513,638 |
| 4 | Substation 38 Upgrades | 1,428,043 |
| 5 | Substation 156 Upgrades | 1,394,231 |
| 6 | Substation 192 Upgrades | 1,374,547 |
| 7 | Substation 29 Modernization | 1,236,662 |
| 8 | Supervisory Control and Data Acquisition/Automation Projects | 1,123,563 |
| 9 | | |
| 10 | Minor Projects < $1,000,000: | |
| 11 | Hydro Generation Property | 825,305 |
| 12 | Transmission Property | 8,760,507 |
| 13 | Distribution Property | 13,834,179 |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| 42 | | |
| 43 | TOTAL | 364,653,831 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

| Line No. | Item (a) | Total (c+d+e) (b) | Electric Plant in Service (c) | Electric Plant Held for Future Use (d) | Electric Plant Leased to Others (e) |
|---|---|---|---|---|---|
| 1 | Balance Beginning of Year | 654,159,906 | 654,159,906 | | |
| 2 | Depreciation Provisions for Year, Charged to | | | | |
| 3 | (403) Depreciation Expense | 55,522,160 | 55,522,160 | | |
| 4 | (403.1) Depreciation Expense for Asset Retirement Costs | | | | |
| 5 | (413) Exp. of Elec. Plt. Leas. to Others | | | | |
| 6 | Transportation Expenses-Clearing | | | | |
| 7 | Other Clearing Accounts | | | | |
| 8 | Other Accounts (Specify, details in footnote): | | | | |
| 9 | | | | | |
| 10 | TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9) | 55,522,160 | 55,522,160 | | |
| 11 | Net Charges for Plant Retired: | | | | |
| 12 | Book Cost of Plant Retired | 11,673,343 | 11,673,343 | | |
| 13 | Cost of Removal | 4,744,113 | 4,744,113 | | |
| 14 | Salvage (Credit) | 166,782 | 166,782 | | |
| 15 | TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14) | 16,250,674 | 16,250,674 | | |
| 16 | Other Debit or Cr. Items (Describe, details in footnote): | -6,241,064 | -6,241,064 | | |
| 17 | | | | | |
| 18 | Book Cost or Asset Retirement Costs Retired | | | | |
| 19 | Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18) | 687,190,328 | 687,190,328 | | |
| | **Section B. Balances at End of Year According to Functional Classification** | | | | |
| 20 | Steam Production | 8,046 | 8,046 | | |
| 21 | Nuclear Production | | | | |
| 22 | Hydraulic Production-Conventional | 18,353,772 | 18,353,772 | | |
| 23 | Hydraulic Production-Pumped Storage | | | | |
| 24 | Other Production | 1,922,435 | 1,922,435 | | |
| 25 | Transmission | 190,458,385 | 190,458,385 | | |
| 26 | Distribution | 456,247,158 | 456,247,158 | | |
| 27 | Regional Transmission and Market Operation | | | | |
| 28 | General | 20,200,532 | 20,200,532 | | |
| 29 | TOTAL (Enter Total of lines 20 thru 28) | 687,190,328 | 687,190,328 | | |
| | | | | | |

***Schedule Page: 219 Line No.: 16 Column: b***

| | |
| --- | --- |
| Transfer to other business areas | (18,836) |
| Retirement difference | 399,766 |
| Change in cost of removal not assigned | (151,994) |
| Commission recovery of removal costs | (6,470,000) |
| | (6,241,064) |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

| Line No. | Description of Investment (a) | Date Acquired (b) | Date Of Maturity (c) | Amount of Investment at Beginning of Year (d) |
|---|---|---|---|---|
| 1 | Not Applicable | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 37 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | Total Cost of Account 123.1 $ 0 | | TOTAL | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues form investments, including such revenues form securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

| Equity in Subsidiary Earnings of Year (e) | Revenues for Year (f) | Amount of Investment at End of Year (g) | Gain or Loss from Investment Disposed of (h) | Line No. |
|---|---|---|---|---|
| | | | | 1 |
| | | | | 2 |
| | | | | 3 |
| | | | | 4 |
| | | | | 5 |
| | | | | 6 |
| | | | | 7 |
| | | | | 8 |
| | | | | 9 |
| | | | | 10 |
| | | | | 11 |
| | | | | 12 |
| | | | | 13 |
| | | | | 14 |
| | | | | 15 |
| | | | | 16 |
| | | | | 17 |
| | | | | 18 |
| | | | | 19 |
| | | | | 20 |
| | | | | 21 |
| | | | | 22 |
| | | | | 23 |
| | | | | 24 |
| | | | | 25 |
| | | | | 26 |
| | | | | 27 |
| | | | | 28 |
| | | | | 29 |
| | | | | 30 |
| | | | | 31 |
| | | | | 32 |
| | | | | 33 |
| | | | | 34 |
| | | | | 35 |
| | | | | 36 |
| | | | | 37 |
| | | | | 38 |
| | | | | 39 |
| | | | | 40 |
| | | | | 41 |
| | | | | 42 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

| Line No. | Account (a) | Balance Beginning of Year (b) | Balance End of Year (c) | Department or Departments which Use Material (d) |
|---|---|---|---|---|
| 1 | Fuel Stock (Account 151) | | | |
| 2 | Fuel Stock Expenses Undistributed (Account 152) | | | |
| 3 | Residuals and Extracted Products (Account 153) | | | |
| 4 | Plant Materials and Operating Supplies (Account 154) | | | |
| 5 | Assigned to - Construction (Estimated) | 10,104,540 | 10,728,328 | Electric, Gas |
| 6 | Assigned to - Operations and Maintenance | 1,723,217 | 1,485,221 | Electric, Gas |
| 7 | Production Plant (Estimated) | | | |
| 8 | Transmission Plant (Estimated) | | | |
| 9 | Distribution Plant (Estimated) | | | |
| 10 | Regional Transmission and Market Operation Plant (Estimated) | | | |
| 11 | Assigned to - Other (provide details in footnote) | | | |
| 12 | TOTAL Account 154 (Enter Total of lines 5 thru 11) | 11,827,757 | 12,213,549 | |
| 13 | Merchandise (Account 155) | | | |
| 14 | Other Materials and Supplies (Account 156) | | | |
| 15 | Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util) | | | |
| 16 | Stores Expense Undistributed (Account 163) | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | TOTAL Materials and Supplies (Per Balance Sheet) | 11,827,757 | 12,213,549 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

| Line No. | SO2 Allowances Inventory (Account 158.1) (a) | Current Year No. (b) | Current Year Amt. (c) | 2020 No. (d) | 2020 Amt. (e) |
|---|---|---|---|---|---|
| 1 | Balance-Beginning of Year | 38,068.00 | -3,751 | 8,867.00 | |
| 2 | | | | | |
| 3 | Acquired During Year: | | | | |
| 4 | Issued (Less Withheld Allow) | 8,867.00 | | | |
| 5 | Returned by EPA | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | Purchases/Transfers: | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | Total | | | | |
| 16 | | | | | |
| 17 | Relinquished During Year: | | | | |
| 18 | Charges to Account 509 | | | | |
| 19 | Other: | | | | |
| 20 | | | | | |
| 21 | Cost of Sales/Transfers: | | | | |
| 22 | Allowance write off | | -3,751 | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | Total | | -3,751 | | |
| 29 | Balance-End of Year | 46,935.00 | | 8,867.00 | |
| 30 | | | | | |
| 31 | Sales: | | | | |
| 32 | Net Sales Proceeds(Assoc. Co.) | | | | |
| 33 | Net Sales Proceeds (Other) | | | | |
| 34 | Gains | | | | |
| 35 | Losses | | | | |
| | Allowances Withheld (Acct 158.2) | | | | |
| 36 | Balance-Beginning of Year | 3,341.50 | | | |
| 37 | Add: Withheld by EPA | 257.00 | | | |
| 38 | Deduct: Returned by EPA | 128.50 | | | |
| 39 | Cost of Sales | | | | |
| 40 | Balance-End of Year | 3,470.00 | | | |
| 41 | | | | | |
| 42 | Sales: | | | | |
| 43 | Net Sales Proceeds (Assoc. Co.) | | | | |
| 44 | Net Sales Proceeds (Other) | 128.50 | 30 | | |
| 45 | Gains | | | | |
| 46 | Losses | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

| 2021 | | 2022 | | Future Years | | Totals | | Line |
|---|---|---|---|---|---|---|---|---|
| No. (f) | Amt. (g) | No. (h) | Amt. (i) | No. (j) | Amt. (k) | No. (l) | Amt. (m) | No. |
| 8,867.00 | | 8,867.00 | | 239,409.00 | | 304,078.00 | -3,751 | 1 |
| | | | | | | | | 2 |
| | | | | | | | | 3 |
| | | | | | | 8,867.00 | | 4 |
| | | | | | | | | 5 |
| | | | | | | | | 6 |
| | | | | | | | | 7 |
| | | | | | | | | 8 |
| | | | | | | | | 9 |
| | | | | | | | | 10 |
| | | | | | | | | 11 |
| | | | | | | | | 12 |
| | | | | | | | | 13 |
| | | | | | | | | 14 |
| | | | | | | | | 15 |
| | | | | | | | | 16 |
| | | | | | | | | 17 |
| | | | | | | | | 18 |
| | | | | | | | | 19 |
| | | | | | | | | 20 |
| | | | | | | | | 21 |
| | | | | | | | -3,751 | 22 |
| | | | | | | | | 23 |
| | | | | | | | | 24 |
| | | | | | | | | 25 |
| | | | | | | | | 26 |
| | | | | | | | | 27 |
| | | | | | | | -3,751 | 28 |
| 8,867.00 | | 8,867.00 | | 239,409.00 | | 312,945.00 | | 29 |
| | | | | | | | | 30 |
| | | | | | | | | 31 |
| | | | | | | | | 32 |
| | | | | | | | | 33 |
| | | | | | | | | 34 |
| | | | | | | | | 35 |
| | | | | | | | | |
| | | | | | | 3,341.50 | | 36 |
| | | | | | | 257.00 | | 37 |
| | | | | | | 128.50 | | 38 |
| | | | | | | | | 39 |
| | | | | | | 3,470.00 | | 40 |
| | | | | | | | | 41 |
| | | | | | | | | 42 |
| | | | | | | | | 43 |
| | | | | | | 128.50 | 30 | 44 |
| | | | | | | | | 45 |
| | | | | | | | | 46 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

| Line No. | NOx Allowances Inventory (Account 158.1) (a) | Current Year No. (b) | Current Year Amt. (c) | 2020 No. (d) | 2020 Amt. (e) |
|---|---|---|---|---|---|
| 1 | Balance-Beginning of Year | | | | |
| 2 | | | | | |
| 3 | Acquired During Year: | | | | |
| 4 | Issued (Less Withheld Allow) | | | | |
| 5 | Returned by EPA | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | Purchases/Transfers: | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | Total | | | | |
| 16 | | | | | |
| 17 | Relinquished During Year: | | | | |
| 18 | Charges to Account 509 | | | | |
| 19 | Other: | | | | |
| 20 | | | | | |
| 21 | Cost of Sales/Transfers: | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | Total | | | | |
| 29 | Balance-End of Year | | | | |
| 30 | | | | | |
| 31 | Sales: | | | | |
| 32 | Net Sales Proceeds(Assoc. Co.) | | | | |
| 33 | Net Sales Proceeds (Other) | | | | |
| 34 | Gains | | | | |
| 35 | Losses | | | | |
| | Allowances Withheld (Acct 158.2) | | | | |
| 36 | Balance-Beginning of Year | | | | |
| 37 | Add: Withheld by EPA | | | | |
| 38 | Deduct: Returned by EPA | | | | |
| 39 | Cost of Sales | | | | |
| 40 | Balance-End of Year | | | | |
| 41 | | | | | |
| 42 | Sales: | | | | |
| 43 | Net Sales Proceeds (Assoc. Co.) | | | | |
| 44 | Net Sales Proceeds (Other) | | | | |
| 45 | Gains | | | | |
| 46 | Losses | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

| 2021 | | 2022 | | Future Years | | Totals | | Line |
|---|---|---|---|---|---|---|---|---|
| No. (f) | Amt. (g) | No. (h) | Amt. (i) | No. (j) | Amt. (k) | No. (l) | Amt. (m) | No. |
| | | | | | | | | 1 |
| | | | | | | | | 2 |
| | | | | | | | | 3 |
| | | | | | | | | 4 |
| | | | | | | | | 5 |
| | | | | | | | | 6 |
| | | | | | | | | 7 |
| | | | | | | | | 8 |
| | | | | | | | | 9 |
| | | | | | | | | 10 |
| | | | | | | | | 11 |
| | | | | | | | | 12 |
| | | | | | | | | 13 |
| | | | | | | | | 14 |
| | | | | | | | | 15 |
| | | | | | | | | 16 |
| | | | | | | | | 17 |
| | | | | | | | | 18 |
| | | | | | | | | 19 |
| | | | | | | | | 20 |
| | | | | | | | | 21 |
| | | | | | | | | 22 |
| | | | | | | | | 23 |
| | | | | | | | | 24 |
| | | | | | | | | 25 |
| | | | | | | | | 26 |
| | | | | | | | | 27 |
| | | | | | | | | 28 |
| | | | | | | | | 29 |
| | | | | | | | | 30 |
| | | | | | | | | 31 |
| | | | | | | | | 32 |
| | | | | | | | | 33 |
| | | | | | | | | 34 |
| | | | | | | | | 35 |
| | | | | | | | | |
| | | | | | | | | 36 |
| | | | | | | | | 37 |
| | | | | | | | | 38 |
| | | | | | | | | 39 |
| | | | | | | | | 40 |
| | | | | | | | | 41 |
| | | | | | | | | 42 |
| | | | | | | | | 43 |
| | | | | | | | | 44 |
| | | | | | | | | 45 |
| | | | | | | | | 46 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

| Line No. | Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a) | Total Amount of Loss (b) | Losses Recognised During Year (c) | WRITTEN OFF DURING YEAR Account Charged (d) | WRITTEN OFF DURING YEAR Amount (e) | Balance at End of Year (f) |
|---|---|---|---|---|---|---|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | TOTAL | | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

| Line No. | Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)]<br>(a) | Total Amount of Charges<br>(b) | Costs Recognised During Year<br>(c) | WRITTEN OFF DURING YEAR<br>Account Charged<br>(d) | WRITTEN OFF DURING YEAR<br>Amount<br>(e) | Balance at End of Year<br>(f) |
|---|---|---|---|---|---|---|
| 21 | None | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | | | | | | |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | | | | | | |
| 49 | TOTAL | | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
| 2 | Asset Management T Studies | 7,961 | 561.6 | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | **Generation Studies** | | | | |
| 22 | None | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Assets (a) | Balance at Beginning of Current Quarter/Year (b) | Debits (c) | CREDITS: Written off During the Quarter /Year Account Charged (d) | CREDITS: Written off During the Period Amount (e) | Balance at end of Current Quarter/Year (f) |
|---|---|---|---|---|---|---|
| 1 | Site Remediation Estimate - Case Nos. | | | | | |
| 2 | 15-E-0285 & 15-G-0286 | 131,576,200 | 1,086,200 | | | 132,662,400 |
| 3 | | | | | | |
| 4 | Site Remediation Deferral Electric - Case No. | | | | | |
| 5 | 15-E-0285 | ( 32,986,129) | ( 3,515,148) | | | -36,501,277 |
| 6 | | | | | | |
| 7 | Site Remediation Deferral Gas - Case No. | | | | | |
| 8 | 15-G-0286 | ( 14,432,831) | ( 1,796,533) | | | -16,229,364 |
| 9 | | | | | | |
| 10 | SFAS No. 109 - ASC 740 - Accounting for Income | | | | | |
| 11 | Taxes - Case Nos. 92-M-1005, 15-E-0285 & 15-G-0286 | | | | | |
| 12 | (Amortization period ending 04/30/2066) | 144,609,847 | 16,892,561 | 456, 495 | 2,738,423 | 158,763,985 |
| 13 | | | | | | |
| 14 | Gas Supply Charge - Case No 18-G-0491 & 19-G-0543 | | 475,951 | 805.1 | 475,951 | |
| 15 | (Amortization period endig 12/31/2019) | | | | | |
| 16 | | | | | | |
| 17 | Sarbanes Oxley Costs - Case Nos. 15-E-0285 & | | | | | |
| 18 | 15-G-0286 | 580,349 | | | | 580,349 |
| 19 | | | | | | |
| 20 | SFAS No. 143 - ASC 410 - Asset Retirement | | | | | |
| 21 | Obligation (ARO) - Docket No. RM 02-7-000 | 3,181,032 | 19,743 | | | 3,200,775 |
| 22 | | | | | | |
| 23 | Losses on Gas Hedges - 16NYCRR 720.65 | | 2,902,570 | | | 2,902,570 |
| 24 | | | | | | |
| 25 | Low Income Program - Case Nos. | | | | | |
| 26 | 15-E-0285 & 15-G-0286 | | 7,579,780 | | | 7,579,780 |
| 27 | | | | | | |
| 28 | Delivery Rate Shaping - Case No. | | | | | |
| 29 | 15-E-0285 | | 283,913 | | | 283,913 |
| 30 | | | | | | |
| 31 | Non Bypassable Charge (NBC) - | | | | | |
| 32 | Case Nos. 03-E-0765 & 09-E-0717 | 717,089 | 259,839 | | | 976,928 |
| 33 | | | | | | |
| 34 | Stray Voltage - Case No. 15-E-0285 | 584,867 | | | | 584,867 |
| 35 | | | | | | |
| 36 | Vegetation Management-Case Nos. | | | | | |
| 37 | 15-E-0285 & 15-G-0286 | | 409,751 | | | 409,751 |
| 38 | | | | | | |
| 39 | Electric Reliability Council (ERO) - | | | | | |
| 40 | Case No. 15-E-0285 | 303,635 | | | | 303,635 |
| 41 | | | | | | |
| 42 | NY State 2002-2003 Tax Audit Adjustment - | | | | | |
| 43 | Case No. 15-E-0285 & 15-G-0286 | 70,106 | | | | 70,106 |
| | | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Assets (a) | Balance at Beginning of Current Quarter/Year (b) | Debits (c) | CREDITS Written off During the Quarter /Year Account Charged (d) | CREDITS Written off During the Period Amount (e) | Balance at end of Current Quarter/Year (f) |
|---|---|---|---|---|---|---|
| 1 | | | | | | |
| 2 | SFAS No. 158 - ASC 715 - Pension Benefits - | | | | | |
| 3 | Case No. 91-M-0890 | 87,928,277 | ( 4,885,562) | various | 14,061,560 | 68,981,155 |
| 4 | | | | | | |
| 5 | NYS - Temporary Supplementary Assessment - | | | | | |
| 6 | Case No. 09-M-0311 | ( 421,421) | ( 6,254) | | | -427,675 |
| 7 | | | | | | |
| 8 | NYS General Assessment - Case No. 09-M-0311 | 421,421 | 6,254 | | | 427,675 |
| 9 | | | | | | |
| 10 | Cost to Achieve - Efficiency Initiatives - | | | | | |
| 11 | Case Nos. 15-E-0285 & 15-G-0286 | 218,120 | | | | 218,120 |
| 12 | | | | | | |
| 13 | Revenue Decoupling Mechanism (RDM) - Case Nos. | | | | | |
| 14 | 15-E-0285 & 15-G-0286 | 1,319,794 | 11,025,720 | 456,495 | 3,791,900 | 8,553,614 |
| 15 | | | | | | |
| 16 | CAIDI/SAIFI Study - Electric - Case No. 15-E-0285 | 95,004 | | | | 95,004 |
| 17 | | | | | | |
| 18 | Costs to Achieve Unit of Property Capitalized | | | | | |
| 19 | Repairs - Case Nos. 15-E-0285 & 15-G-0286 | 115,110 | | | | 115,110 |
| 20 | | | | | | |
| 21 | Default Service Option Electric Hedges - Case No. | | | | | |
| 22 | 06-M-1017 | 123,036 | 8,405,630 | | | 8,528,666 |
| 23 | | | | | | |
| 24 | Funded Deferred Income Tax - Power Tax | | | | | |
| 25 | Normalization - Case Nos. 15-E-0285 & 15-G-0286 | | | | | |
| 26 | (Electric amortization ending 04/30/2055; Gas | | | | | |
| 27 | amortization ending 04/30/2050) | 50,211,182 | | 456, 495 | 2,135,591 | 48,075,591 |
| 28 | | | | | | |
| 29 | Pension Expense - Case Nos. 15-E-0285 & 15-G-0286 | 46,018,268 | ( 3,683,462) | | | 42,334,806 |
| 30 | | | | | | |
| 31 | Post-Term JP Amortization Deferral - Gas | | | | | |
| 32 | Case No. 15-G-0286 | 2,929,536 | | | | 2,929,536 |
| 33 | | | | | | |
| 34 | SFAS No. 158 - ASC 715 - Post Retirement Benefits | | | | | |
| 35 | Other than Pensions - Case No. 91-M-0890 | ( 8,973,621) | 11,312,650 | | | 2,339,029 |
| 36 | | | | | | |
| 37 | BeeBee Station Decommissioning - Case No. 15-E-0285 | 4,707,011 | 18,210 | 403 | 4,458,000 | 267,221 |
| 38 | | | | | | |
| 39 | Russell Station Decommissioning - Case No. | | | | | |
| 40 | 15-E-0285 | 6,591,016 | 10,467 | 403 | 2,013,000 | 4,588,483 |
| 41 | | | | | | |
| 42 | Reforming the Energy Vision - Case Nos. 14-M-0101, | | | | | |
| 43 | 15-E-0285 & 15-G-0286 | 1,599,903 | ( 1,433,582) | | | 166,321 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Assets<br>(a) | Balance at Beginning of Current Quarter/Year<br>(b) | Debits<br>(c) | CREDITS<br>Written off During the Quarter /Year Account Charged<br>(d) | CREDITS<br>Written off During the Period Amount<br>(e) | Balance at end of Current Quarter/Year<br>(f) |
|---|---|---|---|---|---|---|
| 1 | | | | | | |
| 2 | Unit of Property Capitalized Repairs - FIN 48 | | | | | |
| 3 | Interest - Gas - Case No. 15-G-0286 | 193,000 | | | | 193,000 |
| 4 | | | | | | |
| 5 | Ginna Reliability Support Services Agreement - | | | | | |
| 6 | Case Nos. 14-E-0270 & 15-E-0285 | 12,774,814 | ( 12,774,814) | | | |
| 7 | | | | | | |
| 8 | Purchase of Receivables - Gas - Case No. | | | | | |
| 9 | 15-G-0286 | 1,525,050 | 37,326 | | | 1,562,376 |
| 10 | | | | | | |
| 11 | Credit & Debit Card Fees - Case Nos. | | | | | |
| 12 | 15-E-0285 & 15-G-0286 | 1,686,650 | 2,244,724 | | | 3,931,374 |
| 13 | | | | | | |
| 14 | Purchase of Receivables - Case Nos. | | | | | |
| 15 | 15-E-0285 & 15-G-0286 | 100,455 | 54,058 | | | 154,513 |
| 16 | | | | | | |
| 17 | Storm Cost Reserve - Electric - Case No 15-E-0285 | 47,135,633 | ( 20,071,467) | | | 27,064,166 |
| 18 | | | | | | |
| 19 | Management Audit - Case Nos. 15-E-0285 | | | | | |
| 20 | & 15-G-0286 | 393,659 | 26,127 | | | 419,786 |
| 21 | | | | | | |
| 22 | Rate Adjustment Mechanism - Case No. | | | | | |
| 23 | 15-E-0285 | 23,969,815 | 23,491,341 | 456, 495 | 12,540,000 | 34,921,156 |
| 24 | | | | | | |
| 25 | Miscellaneous | 220,149 | 10,511 | | | 230,660 |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | TOTAL : | 515,086,026 | 38,386,504 | | 42,214,425 | 511,258,105 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than $100,000, whichever is less) may be grouped by classes.

| Line No. | Description of Miscellaneous Deferred Debits<br>(a) | Balance at Beginning of Year<br>(b) | Debits<br>(c) | CREDITS<br>Account Charged<br>(d) | CREDITS<br>Amount<br>(e) | Balance at End of Year<br>(f) |
|---|---|---|---|---|---|---|
| 1 | Revolving Credit Facility | 577,213 | 173,837 | 431 | 139,667 | 611,383 |
| 2 | | | | | | |
| 3 | Long-Term Insurance | | 1,959,782 | | | 1,959,782 |
| 4 | Reimbursement Receivable | | | | | |
| 5 | | | | | | |
| 6 | Long-Term Restitution | | 192,400 | | | 192,400 |
| 7 | Receivable | | | | | |
| 8 | | | | | | |
| 9 | Long-Term Advances | | 48,330 | | | 48,330 |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | | | | | | |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | Misc. Work in Progress | | | | | |
| 48 | Deferred Regulatory Comm. Expenses (See pages 350 - 351) | | | | | |
| 49 | TOTAL | 577,213 | | | | 2,811,895 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

| Line No. | Description and Location (a) | Balance of Begining of Year (b) | Balance at End of Year (c) |
|---|---|---|---|
| 1 | Electric | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | Other | 139,598,425 | 177,409,917 |
| 8 | TOTAL Electric (Enter Total of lines 2 thru 7) | 139,598,425 | 177,409,917 |
| 9 | Gas | | |
| 10 | | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | Other | 101,257,132 | 80,626,727 |
| 16 | TOTAL Gas (Enter Total of lines 10 thru 15 | 101,257,132 | 80,626,727 |
| 17 | Other (Specify) | | |
| 18 | TOTAL (Acct 190) (Total of lines 8, 16 and 17) | 240,855,557 | 258,036,644 |

Notes

| Name of Respondent | This Report is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) X An Original<br>(2) _ A Resubmission | / / | 2019/Q4 |

FOOTNOTE DATA

**Schedule Page: 234 Line No.: 7 Column: c**

| | Beginning Balance | End Balance |
|---|---|---|
| Accident and Sickness Reserve | 127,916 | 109,642 |
| Accrued Payroll | 130,050 | 371,438 |
| Amortization through surcharges | 273,467 | 623,001 |
| ARO - Other Liabilities | 263,819 | 561,616 |
| Bad Debts Reserve | 4,220,695 | 4,930,185 |
| Def. Transmission Congestion Contracts (TCC) | 5,469,737 | 6,087,570 |
| Earning sharing - regulatory provision | | 52,419 |
| Economic development | 4,598,539 | 4,656,304 |
| Electric Supply Reconciliation (ESR) | 1,509,236 | 224,656 |
| Energy Efficiency programs | 3,951,697 | 5,793,077 |
| Environmental | 23,228,765 | 26,326,156 |
| Excess DIT | 42,427,138 | 42,574,395 |
| Excess DIT - Gross Up Fed Only | | 270,965 |
| FAS 112 Post Employment Benefits | 269,791 | 326,909 |
| Gas Inventory Costs-Sec 263(a) | | 19,067 |
| General Accruals | | 115,701 |
| GRT Audit and Interest Reserve | 33,486 | 46,568 |
| Hedges OCI | 17,256,554 | 11,326,069 |
| Injuries and Damages | 889,858 | 1,179,815 |
| Long Term Executive Incentive Plan | 547,010 | 412,680 |
| Merger capex customer credit | 1,724,697 | 1,724,689 |
| Mixed Use 263a CC | 1,108,299 | 1,108,295 |
| NY State Credits | 26,475,661 | 26,475,661 |
| OCI-SERP | (62,959) | 13,055 |
| OPEB | 8,334,650 | 11,714,009 |
| Other Cost | 1,358,868 | 11,309,528 |
| Other Taxes | 1,668,398 | 1,671,877 |
| Pension | 16,863,849 | 18,206,152 |
| Positive benefit adjustment (PBA) | 8,621,170 | 8,621,132 |
| Post-Term Amortization deferral JP-2010 | 415,582 | 415,580 |
| Property tax deferrals | 1,549,534 | 2,311,466 |
| Reclass DIT Adjustment | (46,308,470) | (66,344) |
| Reliability Support Services Agreements | (3,338,705) | 382,526 |
| Right of Use Assets | | 1,852,079 |
| SERP | 1,586,572 | 2,204,733 |
| State Regular Non SRLY NOL | 860,278 | 860,278 |
| State UTP - Fed Only | 7,037,834 | 6,947,114 |
| UTP Reserve Adjustment | 1,576,978 | 2,870,058 |
| Variable rate debt (SNF) | 4,928,431 | 5,991,398 |
| UTP | | (33,211,602) |
| | 139,598,425 | 177,409,917 |

**Schedule Page: 234 Line No.: 15 Column: c**

| | Beginning Balance | End Balance |
|---|---|---|
| Accident and Sickness Reserve | 72,801 | 34,623 |
| Accrued Payroll | 203,312 | 99,423 |
| ARO - Other Liabilities | 479,918 | 147,522 |
| Asset Retirement Obligation (ARO) | 568,526 | 601,097 |
| BA Intercompany Loan | (347,935) | 1,016,197 |
| Bad Debts Reserve | 2,060,085 | 1,600,906 |
| Economic development | 453,321 | 554,064 |
| Energy Efficiency programs | 3,487,904 | 3,547,392 |
| Environmental | 11,158,749 | 8,345,087 |
| Excess DIT | 36,255,895 | 36,836,017 |

| Name of Respondent | This Report is: | Date of Report | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) X An Original<br>(2) _ A Resubmission | (Mo, Da, Yr)<br>/ / | 2019/Q4 |

FOOTNOTE DATA

| | | |
|---|---|---|
| Excess DIT - Gross Up Fed Only | | 221,698 |
| FAS 112 Post Employment Benefits | 171,237 | 94,528 |
| Gas Inventory Costs-Sec 263(a) | 12,529 | 6,022 |
| Gas Supply Charge (GSC) | 423,583 | 1,427,184 |
| General Accruals | | 36,537 |
| Hedges Losses/Gains (Non Cash) | (579,921) | 2 |
| Hedges OCI | | 3,576,665 |
| Injuries and Damages | 560,510 | 379,733 |
| Long Term Executive Incentive Plan | 264,592 | 199,974 |
| Low Income Program | 1,711,274 | 2,309,224 |
| Mixed Use 263a CC | 414,315 | 414,312 |
| NY State Credits | 10,841,058 | 10,841,058 |
| OCI-FAS 133 Mark to Market | 209,259 | 261,246 |
| OPEB | 6,764,449 | 3,699,151 |
| Other Cost | 471,847 | 1,029,931 |
| Pension | 12,738,792 | 5,749,295 |
| Property tax deferrals | 4,952,657 | 5,434,949 |
| Reclass DIT Adjustment | 2,157,184 | (144,548) |
| Revenue Decoupling Mechanism | 343,581 | 302,263 |
| Right of Use Assets | | 610,078 |
| SERP | 1,430,333 | 696,229 |
| State Regular Non SRLY NOL | 703,864 | 703,864 |
| State UTP - Fed Only | 2,881,800 | 2,881,800 |
| Variable rate debt (SNF) | 391,613 | 836,063 |
| UTP | | (13,722,859) |
| | 101,257,132 | 80,626,727 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

| Line No. | Class and Series of Stock and Name of Stock Series (a) | Number of shares Authorized by Charter (b) | Par or Stated Value per share (c) | Call Price at End of Year (d) |
|---|---|---|---|---|
| 1 | Common Stock | 50,000,000 | 5.00 | |
| 2 | | | | |
| 3 | Total Common Stock | 50,000,000 | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 37 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

| OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent) | | HELD BY RESPONDENT | | | | Line No. |
|---|---|---|---|---|---|---|
| | | AS REACQUIRED STOCK (Account 217) | | IN SINKING AND OTHER FUNDS | | |
| Shares (e) | Amount (f) | Shares (g) | Cost (h) | Shares (i) | Amount (j) | |
| 38,885,813 | 194,429,065 | | | | | 1 |
| | | | | | | 2 |
| 38,885,813 | 194,429,065 | | | | | 3 |
| | | | | | | 4 |
| | | | | | | 5 |
| | | | | | | 6 |
| | | | | | | 7 |
| | | | | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| | | | | | | 14 |
| | | | | | | 15 |
| | | | | | | 16 |
| | | | | | | 17 |
| | | | | | | 18 |
| | | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| | | | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
| | | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | | | 33 |
| | | | | | | 34 |
| | | | | | | 35 |
| | | | | | | 36 |
| | | | | | | 37 |
| | | | | | | 38 |
| | | | | | | 39 |
| | | | | | | 40 |
| | | | | | | 41 |
| | | | | | | 42 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

| Line No. | Item (a) | Amount (b) |
|---|---|---|
| 1 | | |
| 2 | Account 208 - Donations Received from Stockholders | |
| 3 | | |
| 4 | Account 209 - Reductions in Par or Stated Value of Capital Stock | |
| 5 | | |
| 6 | Account 210 - Gain on Resale or Cancellation of Required Capital Stock | |
| 7 | | |
| 8 | Account 211 - MIscellaneous | 25,869,358 |
| 9 | | |
| 10 | Note: The balance at end of year consisted of an equity contribution | |
| 11 | of $95,000,000.00 liquidating dividend of ($75,000,000.00) and | |
| 12 | other compensation expense of $5,869,358 | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | TOTAL | 25,869,358 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

| Line No. | Class and Series of Stock (a) | Balance at End of Year (b) |
|---|---|---|
| 1 | Common Stock, $5 Par Value | 15,118,364 |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | TOTAL | 15,118,364 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

| Line No. | Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a) | Principal Amount Of Debt issued (b) | Total expense, Premium or Discount (c) |
|---|---|---|---|
| 1 | Bonds (221) | | |
| 2 | First Mortgage Bonds | | |
| 3 | Series VV-6.375% | 75,000,000 | 2,515,400 |
| 4 | Series WW-6.47% | 100,000,000 | 2,463,288 |
| 5 | Series XX-8.00% | 150,000,000 | 3,179,573 |
| 6 | Series YY-5.90% | 150,000,000 | 3,021,582 |
| 7 | Series AAA-4.10% | 125,000,000 | 2,216,971 |
| 8 | | | |
| 9 | Pollution Control Notes-Unsecured fixed | | |
| 10 | 97 Series A-3% | 34,000,000 | 303,546 |
| 11 | 97 Series B-3% | 34,000,000 | 303,546 |
| 12 | 97 Series C-3% | 23,900,000 | 213,375 |
| 13 | 04 Series A-2.87% | 10,500,000 | 93,958 |
| 14 | 04 Series B-3% | 50,000,000 | 454,890 |
| 15 | | | |
| 16 | FMB Series BBB 3.10% | 300,000,000 | 5,987,968 |
| 17 | | | |
| 18 | Variable Interest Rate Debt Expense Deferral | | |
| 19 | Fixed Interest Rate Debt Expense Deferral | | |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |
| 25 | | | |
| 26 | | | |
| 27 | | | |
| 28 | | | |
| 29 | | | |
| 30 | | | |
| 31 | | | |
| 32 | | | |
| 33 | TOTAL | 1,052,400,000 | 20,754,097 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

| Nominal Date of Issue (d) | Date of Maturity (e) | AMORTIZATION PERIOD Date From (f) | AMORTIZATION PERIOD Date To (g) | Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h) | Interest for Year Amount (i) | Line No. |
|---|---|---|---|---|---|---|
| | | | | | | 1 |
| | | | | | | 2 |
| 9/15/2003 | 9/1/2033 | 9/15/2003 | 9/1/2033 | 75,000,000 | 5,966,585 | 3 |
| 7/17/2007 | 7/15/2032 | 7/17/2007 | 7/15/2032 | 100,000,000 | 7,783,210 | 4 |
| 12/24/2008 | 12/15/2033 | 12/24/2008 | 12/15/2033 | 150,000,000 | 12,000,000 | 5 |
| 6/29/2009 | 7/15/2019 | 6/29/2009 | 7/15/2019 | 150,000,000 | 6,993,262 | 6 |
| 7/29/2011 | 7/29/2021 | 7/29/2011 | 7/29/2021 | 125,000,000 | 5,125,000 | 7 |
| | | | | | | 8 |
| | | | | | | 9 |
| 6/29/2018 | 8/1/2032 | 6/29/2018 | 8/1/2032 | 34,000,000 | 994,555 | 10 |
| 6/29/2018 | 8/1/2032 | 6/29/2018 | 8/1/2032 | 34,000,000 | 994,555 | 11 |
| 6/29/2018 | 8/1/2032 | 6/29/2018 | 8/1/2032 | 23,900,000 | 699,113 | 12 |
| 6/29/2018 | 5/15/2032 | 6/29/2018 | 5/15/2032 | 10,500,000 | 294,117 | 13 |
| 6/29/2018 | 5/15/2032 | 6/29/2018 | 5/15/2032 | 50,000,000 | 1,462,445 | 14 |
| | | | | | | 15 |
| 5/24/2017 | 6/1/21027 | 6/1/2027 | 6/1/2027 | 300,000,000 | 10,901,667 | 16 |
| | | | | | | 17 |
| | | | | | 80,795 | 18 |
| | | | | | 7,712,009 | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| | | | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
| | | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | 1,052,400,000 | 61,007,313 | 33 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be field, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as Long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

| Line No. | Particulars (Details) (a) | Amount (b) |
|---|---|---|
| 1 | Net Income for the Year (Page 117) | 94,855,112 |
| 2 | | |
| 3 | | |
| 4 | Taxable Income Not Reported on Books | |
| 5 | | 3,704,516 |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | Deductions Recorded on Books Not Deducted for Return | |
| 10 | | 305,317,979 |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | Income Recorded on Books Not Included in Return | |
| 15 | | 330,030,661 |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | Deductions on Return Not Charged Against Book Income | |
| 20 | | |
| 21 | | |
| 22 | Net Operating Loss | -76,605,600 |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | Federal Tax Net Income | -2,758,516 |
| 28 | Show Computation of Tax: | |
| 29 | Federal Tax Payable | -579,317 |
| 30 | Provision for Prior Year Federal Income Tax | -4,922,649 |
| 31 | Other Activity in Current Tax Accounts | -576,907 |
| 32 | Net Federal Income Tax Provision | -6,078,873 |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| 42 | | |
| 43 | | |
| 44 | | |

| Name of Respondent | This Report is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) X An Original<br>(2) _ A Resubmission | / / | 2019/Q4 |

FOOTNOTE DATA

**Schedule Page: 261 Line No.: 5 Column: b**

Taxable Income Not Reported on Books

| | |
|---|---|
| Amortization through Surcharges | 1,330,797 |
| Contributions in Aid of Construction (CIAC) | 2,271,806 |
| Salvage | 101,913 |
| Subtotal | 3,704,516 |

**Schedule Page: 261 Line No.: 10 Column: b**

Deductions Recorded on Books Not Deducted for Return

| | |
|---|---|
| Accrued Payroll | 93,746 |
| AFUDC-Amortization-Flowthrough | 2,415,892 |
| Allowance for Funds Used During Construction | 31,864,387 |
| Asset retirement obligation (ARO) | 123,726 |
| Bad Debt Reserve | 957,872 |
| Beebee\Russell Plant Decommission | 6,442,322 |
| Book Depreciation | 94,970,754 |
| Capital Lease Obligations | 711,721 |
| Capitalized Interest | 11,564,786 |
| Def. Transmission Congestion Contracts (TCC) | 1,953,800 |
| Earnings Sharing-Regulatory Provision | 200,572 |
| Economic Development | 606,575 |
| Electric Supply Reconciliation (ESR) | 705,130 |
| Energy Efficiency programs | 7,273,392 |
| Environmental reg | 4,225,481 |
| Environmental | 1,086,200 |
| Excess DIT | 2,784,464 |
| Fed and State Deferred Income Tax Expense | 34,468,103 |
| Gas Supply Charge | 3,991,439 |
| Injuries and Damages | 417,776 |
| Meals and Entertainment | 100,278 |
| Mortgage Recording Tax | 664,171 |
| OPEB | 1,236,915 |
| Other Cost | 35,689,749 |
| Penalties | 1,650,000 |
| Pension and OPEB FAS 158 | 15,880,236 |
| Pension and OPEB Cost reg | 4,867,971 |
| Power Tax DIT's | 2,135,591 |
| Prepaid Insurance | 34,660 |
| Property tax deferrals | 4,760,869 |
| Reliability Support Service Agreements | 14,238,440 |
| Unamortized loss on reacquired debt-in rates | 329,626 |
| Unfunded future income tax | 11,103,437 |
| Variable rate Debt (SNF) | 5,767,898 |
| Subtotal | 305,317,979 |

**Schedule Page: 261 Line No.: 15 Column: b**

Deductions on Return Not Charged Against Book Income

| | |
|---|---|
| Accident and Sickness Reserve | 216,000 |
| AFUDC - Equity-Flowthrough | 50,159,109 |
| Allowance for Funds Used During Construction | 11,564,786 |
| ARO-Other Liabilities | 132,374 |
| BA Intercompany | 10 |
| Bonus Depreciation | 10,000,000 |
| Charitable Contribution Limitation | 2,534,421 |
| Cost of Removal | 5,880,801 |
| Excess DIT-Gross Up | 13,045,500 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report is:<br>(1) X An Original<br>(2) _ A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2019/Q4 |
|---|---|---|---|

FOOTNOTE DATA

| | |
|---|---|
| FAS 112 Post Employment Benefits | 76,656 |
| Federal Current Income Tax Expense | 6,078,873 |
| Long Term Executive Incentive Plan | 328,850 |
| Low Income Program | 7,361,317 |
| Mixed Service Cost | 17,977,322 |
| NY Assessment Deferral | 25,500 |
| Other Cost - Contra | 1,500,000 |
| Other Taxes | 106 |
| Pension | 18,825,698 |
| Property Tax | 474,653 |
| Property-Plant | 597,988 |
| Retired Non-Mass Asset Property Fed Only | 1,390,658 |
| Revenue Decoupling Mechanism | 7,233,820 |
| Right of Use Assets | 1,615,435 |
| SERP | 319,573 |
| Storms | 17,588,932 |
| Stranded Cost | 259,839 |
| Tax Depreciation Fed Only | 97,791,340 |
| TBBS Adjustment | 8,018,181 |
| Unit of Property | 49,032,919 |
| **Subtotal** | **330,030,661** |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b)amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

| Line No. | Kind of Tax (See instruction 5) (a) | BALANCE AT BEGINNING OF YEAR Taxes Accrued (Account 236) (b) | Prepaid Taxes (Include in Account 165) (c) | Taxes Charged During Year (d) | Taxes Paid During Year (e) | Adjust-ments (f) |
|---|---|---|---|---|---|---|
| 1 | Federal: | | | | | |
| 2 | Income Taxes | | 1,203,285 | -6,078,873 | 20,222,209 | |
| 3 | Social Security | | | 4,318,148 | 4,299,983 | 18,165 |
| 4 | Medicare | | | 1,090,995 | 1,086,406 | 4,589 |
| 5 | Unemployment | | | 33,532 | 33,391 | 141 |
| 6 | | | | | | |
| 7 | State: | | | | | |
| 8 | Income Taxes | | 388,184 | 4,964,456 | 7,286,441 | |
| 9 | Unemployment Taxes | | | 54,030 | 53,803 | 227 |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | Other: | | | | | |
| 14 | Real and Personal Property | 11,339 | 36,707,634 | 108,726,239 | 109,005,755 | 197,087 |
| 15 | Gross Receipts Tax | 663,825 | | 11,459,410 | 11,705,517 | |
| 16 | Use & Other Taxes | 533,743 | | 159,528 | 20,494,342 | -20,241,030 |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | TOTAL | 1,208,907 | 38,299,103 | 124,727,465 | 174,187,847 | -20,020,821 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (I) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

| BALANCE AT END OF YEAR | | DISTRIBUTION OF TAXES CHARGED | | | | Line No. |
|---|---|---|---|---|---|---|
| (Taxes accrued Account 236)<br>(g) | Prepaid Taxes (Incl. in Account 165)<br>(h) | Electric (Account 408.1, 409.1)<br>(i) | Extraordinary Items (Account 409.3)<br>(j) | Adjustments to Ret. Earnings (Account 439)<br>(k) | Other<br>(l) | |
| | | | | | | 1 |
| | 27,504,367 | 1,319,794 | | | -7,398,667 | 2 |
| | | 2,901,728 | | | 1,416,420 | 3 |
| | | 733,132 | | | 357,863 | 4 |
| | | 22,533 | | | 10,999 | 5 |
| | | | | | | 6 |
| | | | | | | 7 |
| | 2,710,169 | 10,708,681 | | | -5,744,225 | 8 |
| | | 36,307 | | | 17,723 | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| 9,389 | 37,182,287 | 81,690,641 | | | 27,035,598 | 14 |
| 417,718 | | 6,751,062 | | | 4,708,348 | 15 |
| 439,959 | | 119,539 | | | 39,989 | 16 |
| | | | | | | 17 |
| | | | | | | 18 |
| | | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| | | | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
| | | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | | | 33 |
| | | | | | | 34 |
| | | | | | | 35 |
| | | | | | | 36 |
| | | | | | | 37 |
| | | | | | | 38 |
| | | | | | | 39 |
| | | | | | | 40 |
| 867,066 | 67,396,823 | 104,283,417 | | | 20,444,048 | 41 |

***Schedule Page: 262 Line No.: 2 Column: h***

Reported in FERC account 143.

***Schedule Page: 262 Line No.: 2 Column: l***

**Other Federal Income Taxes consisted of:**

| | |
|---|---|
| Account 409.1 Income Taxes, Utility Operating Income Gas | (4,760,833) |
| Account 409.2 Income Taxes, Other Income & Deductions-Electric & Gas | (442,114) |
| | **(7,398,667)** |

***Schedule Page: 262 Line No.: 3 Column: f***

Adjustments due to year end timing differences attributed to time of accrual and time of payment.

***Schedule Page: 262 Line No.: 3 Column: l***

Other FICA charges consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income-Gas.

***Schedule Page: 262 Line No.: 4 Column: f***

Adjustment due to year end timing differences attributed to time of accrual and time of payment.

***Schedule Page: 262 Line No.: 4 Column: l***

Other Medicare charges consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income-Gas.

***Schedule Page: 262 Line No.: 5 Column: f***

Adjustment due to year end timing differences attributed to time of accrual and time of payment.

***Schedule Page: 262 Line No.: 5 Column: l***

Other Federal Unemployment Tax charges consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income-Gas.

***Schedule Page: 262 Line No.: 8 Column: h***

Reported in FERC Account 143.

***Schedule Page: 262 Line No.: 8 Column: l***

**Other State Income Taxes consisted of:**

| | |
|---|---|
| Account 409.1 Income Taxes, Utility Operating Income Gas | (4,870,993) |
| Account 409.2 Income Taxes, Other Income & Deductions-Electric & Gas | (873,232) |
| | **(5,744,225)** |

***Schedule Page: 262 Line No.: 9 Column: f***

Adjustment due to year end timing differences attributed to time of accrual and time of payment.

***Schedule Page: 262 Line No.: 9 Column: l***

Other State Unemployment Income Tax charges consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income-Gas.

***Schedule Page: 262 Line No.: 14 Column: f***

Real and Personal Property adjustments due to timing of payments compared to timing of taxes charged during the fiscal year.

***Schedule Page: 262 Line No.: 14 Column: l***

Real and Personal Property Tax consisted of:

| | |
|---|---|
| Account 408.1 Taxes Other Than Income Tax, Utility Operating Income - Gas | 26,922,389 |
| Account 408.2 Taxes Other Than Income Tax, Other Income & Deductions | 113,209 |
| | 27,035,598 |

***Schedule Page: 262 Line No.: 15 Column: l***

Other Gross Receipts Taxes Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income - Gas.

***Schedule Page: 262 Line No.: 16 Column: f***

Gross Receipts Taxes consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income - Gas.

***Schedule Page: 262 Line No.: 16 Column: l***

Other tax charges consisted of Account 408.1 Taxes Other Than Income Taxes, Utility Operating Income Gas.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g).Include in column (i) the average period over which the tax credits are amortized.

| Line No. | Account Subdivisions (a) | Balance at Beginning of Year (b) | Deferred for Year Account No. (c) | Deferred for Year Amount (d) | Allocations to Current Year's Income Account No. (e) | Allocations to Current Year's Income Amount (f) | Adjustments (g) |
|---|---|---|---|---|---|---|---|
| 1 | Electric Utility | | | | | | |
| 2 | 3% | | | | | | |
| 3 | 4% | | | | | | |
| 4 | 7% | | | | | | |
| 5 | 10% | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | TOTAL | | | | | | |
| 9 | Other (List separately and show 3%, 4%, 7%, 10% and TOTAL) | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 30 | | | | | | | |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | | | | | | | |
| 36 | | | | | | | |
| 37 | | | | | | | |
| 38 | | | | | | | |
| 39 | | | | | | | |
| 40 | | | | | | | |
| 41 | | | | | | | |
| 42 | | | | | | | |
| 43 | | | | | | | |
| 44 | | | | | | | |
| 45 | | | | | | | |
| 46 | | | | | | | |
| 47 | | | | | | | |
| 48 | | | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

| Balance at End of Year (h) | Average Period of Allocation to Income (i) | ADJUSTMENT EXPLANATION | Line No. |
|---|---|---|---|
| | | | 1 |
| | | | 2 |
| | | | 3 |
| | | | 4 |
| | | | 5 |
| | | | 6 |
| | | | 7 |
| | | | 8 |
| | | | 9 |
| | | | 10 |
| | | | 11 |
| | | | 12 |
| | | | 13 |
| | | | 14 |
| | | | 15 |
| | | | 16 |
| | | | 17 |
| | | | 18 |
| | | | 19 |
| | | | 20 |
| | | | 21 |
| | | | 22 |
| | | | 23 |
| | | | 24 |
| | | | 25 |
| | | | 26 |
| | | | 27 |
| | | | 28 |
| | | | 30 |
| | | | 31 |
| | | | 32 |
| | | | 33 |
| | | | 34 |
| | | | 35 |
| | | | 36 |
| | | | 37 |
| | | | 38 |
| | | | 39 |
| | | | 40 |
| | | | 41 |
| | | | 42 |
| | | | 43 |
| | | | 44 |
| | | | 45 |
| | | | 46 |
| | | | 47 |
| | | | 48 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER DEFFERED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than $100,000, whichever is greater) may be grouped by classes.

| Line No. | Description and Other Deferred Credits (a) | Balance at Beginning of Year (b) | DEBITS Contra Account (c) | DEBITS Amount (d) | Credits (e) | Balance at End of Year (f) |
|---|---|---|---|---|---|---|
| 1 | Benefits | 864,554 | Various | 334,833 | | 529,721 |
| 2 | | | | | | |
| 3 | Non-Qualified Pension Plans | 11,408,518 | Various | 3,461,912 | 3,525,034 | 11,471,640 |
| 4 | | | | | | |
| 5 | Electric Interconnection | 1,135 | | | | 1,135 |
| 6 | Collateral | | | | | |
| 7 | | | | | | |
| 8 | Customer Advances | 7,308,293 | Various | 14,179,504 | 8,950,897 | 2,079,686 |
| 9 | | | | | | |
| 10 | Deferred Compensation | | Various | 390,294 | 483,701 | 93,407 |
| 11 | | | | | | |
| 12 | FAS 112 Long Term Disability | 824,645 | Various | 603,162 | 313,284 | 534,767 |
| 13 | Expense | | | | | |
| 14 | | | | | | |
| 15 | Manager OT Super Storm Reserve | | | | 200,572 | 200,572 |
| 16 | | | | | | |
| 17 | Other Long Term Liabilities | | | | 2,529,058 | 2,529,058 |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | | | | | | |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | TOTAL | 20,407,145 | | 18,969,705 | 16,002,546 | 17,439,986 |

## ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.
2. For other (Specify),include deferrals relating to other income and deductions.

| Line No. | Account<br>(a) | Balance at Beginning of Year<br>(b) | CHANGES DURING YEAR<br>Amounts Debited to Account 410.1<br>(c) | CHANGES DURING YEAR<br>Amounts Credited to Account 411.1<br>(d) |
|---|---|---|---|---|
| 1 | Accelerated Amortization (Account 281) | | | |
| 2 | Electric | | | |
| 3 | Defense Facilities | | | |
| 4 | Pollution Control Facilities | | | |
| 5 | Other (provide details in footnote): | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | TOTAL Electric (Enter Total of lines 3 thru 7) | | | |
| 9 | Gas | | | |
| 10 | Defense Facilities | | | |
| 11 | Pollution Control Facilities | | | |
| 12 | Other (provide details in footnote): | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | TOTAL Gas (Enter Total of lines 10 thru 14) | | | |
| 16 | | | | |
| 17 | TOTAL (Acct 281) (Total of 8, 15 and 16) | | | |
| 18 | Classification of TOTAL | | | |
| 19 | Federal Income Tax | | | |
| 20 | State Income Tax | | | |
| 21 | Local Income Tax | | | |

NOTES

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

ACCUMULATED DEFERRED INCOME TAXES _ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

| CHANGES DURING YEAR | | ADJUSTMENTS | | | | Balance at End of Year | Line No. |
|---|---|---|---|---|---|---|---|
| | | Debits | | Credits | | | |
| Amounts Debited to Account 410.2<br>(e) | Amounts Credited to Account 411.2<br>(f) | Account Credited<br>(g) | Amount<br>(h) | Account Debited<br>(i) | Amount<br>(j) | (k) | |
| | | | | | | | 1 |
| | | | | | | | 2 |
| | | | | | | | 3 |
| | | | | | | | 4 |
| | | | | | | | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | | | | | | 9 |
| | | | | | | | 10 |
| | | | | | | | 11 |
| | | | | | | | 12 |
| | | | | | | | 13 |
| | | | | | | | 14 |
| | | | | | | | 15 |
| | | | | | | | 16 |
| | | | | | | | 17 |
| | | | | | | | 18 |
| | | | | | | | 19 |
| | | | | | | | 20 |
| | | | | | | | 21 |

NOTES (Continued)

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED DEFFERED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
2. For other (Specify),include deferrals relating to other income and deductions.

| Line No. | Account<br>(a) | Balance at Beginning of Year<br>(b) | CHANGES DURING YEAR<br>Amounts Debited to Account 410.1<br>(c) | CHANGES DURING YEAR<br>Amounts Credited to Account 411.1<br>(d) |
|---|---|---|---|---|
| 1 | Account 282 | | | |
| 2 | Electric | 395,525,340 | 32,854,833 | 78,696,839 |
| 3 | Gas | 62,546,612 | 57,774,658 | 13,603,750 |
| 4 | | | | |
| 5 | TOTAL (Enter Total of lines 2 thru 4) | 458,071,952 | 90,629,491 | 92,300,589 |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Account 282 (Enter Total of lines 5 thru | 458,071,952 | 90,629,491 | 92,300,589 |
| 10 | Classification of TOTAL | | | |
| 11 | Federal Income Tax | 377,490,598 | 79,732,384 | 78,120,865 |
| 12 | State Income Tax | 80,581,354 | 10,897,107 | 14,179,724 |
| 13 | Local Income Tax | | | |

NOTES

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

| CHANGES DURING YEAR | | ADJUSTMENTS | | | | | |
|---|---|---|---|---|---|---|---|
| Amounts Debited to Account 410.2 | Amounts Credited to Account 411.2 | Debits | | Credits | | Balance at End of Year | Line No. |
| | | Account Credited | Amount | Account Debited | Amount | | |
| (e) | (f) | (g) | (h) | (i) | (j) | (k) | |
| | | | | | | | 1 |
| 783,950 | | 190/283 | 1,608,518 | 236 | 203,656 | 349,062,422 | 2 |
| 3,254,287 | | 236/190/283 | 6,555,233 | | | 103,416,574 | 3 |
| | | | | | | | 4 |
| 4,038,237 | | | 8,163,751 | | 203,656 | 452,478,996 | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| 4,038,237 | | | 8,163,751 | | 203,656 | 452,478,996 | 9 |
| | | | | | | | 10 |
| 3,033,893 | | | 6,727,631 | | 203,656 | 375,612,035 | 11 |
| 1,004,344 | | | 1,436,120 | | | 76,866,961 | 12 |
| | | | | | | | 13 |

NOTES (Continued)

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED DEFFERED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify),include deferrals relating to other income and deductions.

| Line No. | Account<br>(a) | Balance at Beginning of Year<br>(b) | CHANGES DURING YEAR<br>Amounts Debited to Account 410.1<br>(c) | CHANGES DURING YEAR<br>Amounts Credited to Account 411.1<br>(d) |
|---|---|---|---|---|
| 1 | Account 283 | | | |
| 2 | Electric | | | |
| 3 | See Footnote for Details | 27,748,933 | 98,049,000 | 44,867,207 |
| 4 | NYS Tax Credits-UTP Offset | 33,211,602 | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Electric (Total of lines 3 thru 8) | 60,960,535 | 98,049,000 | 44,867,207 |
| 10 | Gas | | | |
| 11 | See Footnote for Details | 2,320,839 | 55,049,409 | 9,136,880 |
| 12 | NYS Tax Credits-UTP Offset | 13,722,859 | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | TOTAL Gas (Total of lines 11 thru 16) | 16,043,698 | 55,049,409 | 9,136,880 |
| 18 | | | | |
| 19 | TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18) | 77,004,233 | 153,098,409 | 54,004,087 |
| 20 | Classification of TOTAL | | | |
| 21 | Federal Income Tax | 80,487,524 | 69,319,760 | 45,956,453 |
| 22 | State Income Tax | -3,483,291 | 83,778,649 | 8,047,634 |
| 23 | Local Income Tax | | | |

NOTES

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

| CHANGES DURING YEAR | | ADJUSTMENTS | | | | | |
|---|---|---|---|---|---|---|---|
| | | Debits | | Credits | | | |
| Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | Account Credited (g) | Amount (h) | Account Debited (i) | Amount (j) | Balance at End of Year (k) | Line No. |
| | | | | | | | 1 |
| | | | | | | | 2 |
| | | | | 190/282 | 23,626,693 | 104,557,419 | 3 |
| | | 190 | 33,211,602 | | | | 4 |
| | | | | | | | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | | 33,211,602 | | 23,626,693 | 104,557,419 | 9 |
| | | | | | | | 10 |
| | | 190/282 | 16,012,634 | | | 32,220,734 | 11 |
| | | 190 | 13,722,859 | | | | 12 |
| | | | | | | | 13 |
| | | | | | | | 14 |
| | | | | | | | 15 |
| | | | | | | | 16 |
| | | | 29,735,493 | | | 32,220,734 | 17 |
| | | | | | | | 18 |
| | | | 62,947,095 | | 23,626,693 | 136,778,153 | 19 |
| | | | | | | | 20 |
| | | | 12,030,154 | | 17,750,531 | 109,571,208 | 21 |
| | | | 50,916,941 | | 5,876,162 | 27,206,945 | 22 |
| | | | | | | | 23 |

NOTES (Continued)

**Schedule Page: 276 Line No.: 3 Column: k**

| | Beginning Balance | End Balance |
|---|---|---|
| Allegany Regulatory Deferral | (1,338,257) | 3 |
| Asset Retirement Obligation (ARO) | 265,185 | 265,421 |
| BA Intercompany Loan | (413,030) | 1,016,198 |
| Beebee/Russell Plant Decommission | 2,952,746 | 1,269,032 |
| Capital Lease Obligation | | 2,031,580 |
| Charitable Contribution Limitation | (492,107) | |
| Environmental Reg. | 14,607,822 | 13,880,827 |
| Excess DIT-Gross Up | 1 | 324,202 |
| Federal Work Opportunity Credit | (7,940) | |
| Hedges Losses/Gains (Non Cash) | (579,921) | 1 |
| Low Income Program | 1,768,370 | 4,290,199 |
| Mortgage Recording Tax | 543,511 | 860,474 |
| NY Assessment Deferral | | 6,665 |
| OCI-FAS 133 Mark to Market | 46,741 | 77,716 |
| OCI-FAS 133-Treasury Mark to Market | 877,326 | 1,882,061 |
| Other Cost - Contra | | 392,025 |
| Pension & OPEB FAS 158 | 12,033,242 | 9,484,906 |
| Pension & OPEB Cost Reg | 9,027,990 | 7,206,570 |
| Power Tax DIT's | 9,782,292 | 9,489,925 |
| Prepaid Insurance | 137,279 | 182,810 |
| Property Tax | 5,276,458 | 7,385,357 |
| Research & Development Tax Credit | (754,312) | |
| Reclass DIT adjustment | (59,128,138) | |
| Regular NOL (Non SRLY) | (8,825,410) | |
| Revenue Decoupling Mechanism | 688,510 | 2,537,750 |
| Sales and Use Tax Audit Reserve & Interest | | 18,077 |
| Storms | 12,318,924 | 16,915,739 |
| Stranded Cost | 1,656,274 | 255,316 |
| TBBS Adjustment | 127,887 | |
| Unamortized loss on reacquired debt-in rates | 1,125,463 | 1,061,580 |
| Unfunded future income tax | 26,032,063 | 23,381,705 |
| UTP Reserve Adjustment | 19,964 | 341,280 |
| | **27,748,933** | **104,557,419** |

**Schedule Page: 276 Line No.: 11 Column: k**

| | Beginning Balance | End Balance |
|---|---|---|
| Amortizations through surcharges | 105,902 | 107,632 |
| Capital Lease Obligations | | 679,410 |
| Environmental Reg. | 7,386,720 | 7,009,291 |
| Excess DIT-Gross Up | (1) | 265,257 |
| Federal Work Opportunity Credit | (6,497) | |
| GRT Audit and Interest Reserve | 57,272 | 46,568 |
| Merger capex customer credit | 168,835 | 168,835 |
| Mortgage Recording Tax | 95,914 | 271,728 |
| OCI-FAS 133-Treasury Mark to Market | 717,812 | 1,035,096 |
| OCI-SERP | 51,512 | 27,507 |
| Other Taxes | 159,509 | 73,676 |
| Pension & OPEB FAS 158 | 8,601,602 | 6,999,549 |
| Pension & OPEB Cost Reg | 3,038,509 | 2,744,202 |
| Positive Benefit Adjustment (PBA) | 91,041 | 91,040 |
| Post-Term Amortization Deferral JP-2010 | 1,181,218 | 1,181,212 |
| Power Tax DIT's | 3,340,429 | 3,074,602 |
| Prepaid Insurance | 112,319 | 57,730 |
| Property Tax | 4,317,102 | 2,332,213 |
| Research & Development Tax Credit | (617,164) | |
| Reclass DIT adjustment | (25,583,820) | |
| Regular NOL (Non SRLY) | (7,220,789) | |

| | | |
|---|---|---|
| Sales and Use Tax Audit Reserve & Interest | | 5,709 |
| Unamortized loss on reacquired debt-in rates | 385,394 | 363,122 |
| Unfunded future income tax | 5,938,020 | 5,686,355 |
| | 2,320,839 | 32,220,734 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities<br>(a) | Balance at Begining of Current Quarter/Year<br>(b) | DEBITS Account Credited<br>(c) | DEBITS Amount<br>(d) | Credits<br>(e) | Balance at End of Current Quarter/Year<br>(f) |
|---|---|---|---|---|---|---|
| 1 | Clean Air Emission Allowances - | | | | | |
| 2 | Case Nos. 90-E-1142 & 15-E-0285 | 828,793 | | | 30 | 828,823 |
| 3 | | | | | | |
| 4 | Asset Retirement Obligation (ARO) - | | | | | |
| 5 | Docket No. RM 02-7-000 | 4,341,700 | | | 143,469 | 4,485,169 |
| 6 | | | | | | |
| 7 | Asset Sale Gain Account - Case Nos. 03-E-0765 & | | | | | |
| 8 | 09-E-0717 & 15-E-0285 | 10,850,668 | | | | 10,850,668 |
| 9 | | | | | | |
| 10 | Merchant Function Charge - Case Nos. | | | | | |
| 11 | 15-E-0285 & 15-G-0286 | 646,732 | 456,495 | 1,676,822 | 1,157,313 | 127,223 |
| 12 | Amortization ending April 30, 2020 | | | | | |
| 13 | | | | | | |
| 14 | 1998-2001 IRS Audit Adjustment - | | | | | |
| 15 | Case No. 15-E-0285 | 199,107 | | | | 199,107 |
| 16 | | | | | | |
| 17 | Purchase of Accounts Receivable - Electric - | | 456 | 97,706 | 97,706 | |
| 18 | Case No. 15-E-0285 | | | | | |
| 19 | Amortization ending April 30, 2020 | | | | | |
| 20 | | | | | | |
| 21 | Purchase of Accounts Receivable - Gas - | | | | | |
| 22 | Case No. 15-G-0286 | | 495 | 32,802 | 32,802 | |
| 23 | Amortization ending April 30, 2020 | | | | | |
| 24 | | | | | | |
| 25 | SFAS No. 106 - Medicare Part D - Case No. | | | | | |
| 26 | 15-G-0286 | 362,293 | | | | 362,293 |
| 27 | | | | | | |
| 28 | Service Quality Performance Program - | | | | | |
| 29 | Case No. 15-G-0286 | 417,598 | | | | 417,598 |
| 30 | | | | | | |
| 31 | SFAS No. 106 - Post-Retirement Benefits | | | | | |
| 32 | Other than Pension - Case Nos. 91-M-0890 | 3,075,692 | | | 1,184,509 | 4,260,201 |
| 33 | | | | | | |
| 34 | Income Tax Benefit - Property Tax 481(a) | | | | | |
| 35 | Deduction - Due to change in Lien Date - | | | | | |
| 36 | Case Nos. 15-E-0285 & 15-G-0286 | 497,327 | | | | 497,327 |
| 37 | | | | | | |
| 38 | Economic Development Funding (EDF) - | | | | | |
| 39 | Case Nos. 15-E-0285 & 15-G-0286 | 19,329,823 | | | 606,575 | 19,936,398 |
| 40 | | | | | | |
| 41 | TOTAL | 609,559,368 | | 20,929,209 | *************** | 659,249,153 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities (a) | Balance at Begining of Current Quarter/Year (b) | DEBITS Account Credited (c) | DEBITS Amount (d) | Credits (e) | Balance at End of Current Quarter/Year (f) |
|---|---|---|---|---|---|---|
| 1 | NYS Income Tax Rate Adj - Case Nos. | | | | | |
| 2 | 15-E-0285 & 15-G-0286 | 4,572,802 | | | | 4,572,802 |
| 3 | | | | | | |
| 4 | Positive Benefit Adjustment - Iberdrola Merger - | | | | | |
| 5 | Case Nos. 15-E-0285 & 15-G-0286 | 32,638,647 | | | | 32,638,647 |
| 6 | | | | | | |
| 7 | Bonus Depreciation Income Tax Benefit Carrying | | | | | |
| 8 | Costs - Case Nos.15-E-0285 & 15-G-0286 | | | | | |
| 9 | (Electric amortization ends 4/30/2020) | 45,769,342 | 456, 495 | 10,000,000 | | 35,769,342 |
| 10 | | | | | | |
| 11 | Gas Supply Costs (GSC) - Case Nos. | | | | | |
| 12 | 18-G-0491, 19-G-0543 | | | | | |
| 13 | & PSC Reg. 16NYCRR 720-6.5 | | | | | |
| 14 | (Amortization Period ending December 2019 & 2020) | 1,469,383 | 805.1 | 1,715,918 | 5,707,357 | 5,460,822 |
| 15 | | | | | | |
| 16 | Property Tax Deferral - Case Nos. 15-E-0285 & | | | | | |
| 17 | 15-G-0286 (Gas Amortization period ends | | | | | |
| 18 | April 30, 2020) | 24,879,191 | 456, 495 | 239,000 | ( 9,335,837) | 15,304,354 |
| 19 | | | | | | |
| 20 | Vegetation Management Cost - Case Nos. | | | | | |
| 21 | 15-E-0285 & 15-G-0286 | ( 377,874) | | | 377,874 | |
| 22 | | | | | | |
| 23 | Management Audit Expenses - Case Nos. | | | | | |
| 24 | 15-E-0285 & 15-G-0286 | 595,085 | | | | 595,085 |
| 25 | | | | | | |
| 26 | Incremental Maintenance/CRO Initiatives - Case | | | | | |
| 27 | Nos. 15-E-0285 & 15-G-0286 | 1,917,213 | | | 481,175 | 2,398,388 |
| 28 | | | | | | |
| 29 | Gas Research & Development Costs - Case No. | | | | | |
| 30 | 15-G-0286 | 241,920 | | | 220,612 | 462,532 |
| 31 | | | | | | |
| 32 | Earning Sharing Mechanism - Case Nos. | | | | | |
| 33 | 15-E-0285 & 15-G-0286 | 10,294,245 | | | 2,032,248 | 12,326,493 |
| 34 | | | | | | |
| 35 | Gas Pipeline Integrity - Case No. 15-G-0286 | 670,912 | | | 403,125 | 1,074,037 |
| 36 | | | | | | |
| 37 | Capital Expenditures - Customer Credit - | | | | | |
| 38 | Case Nos. 07-M-0906 & 15-E-0285 | 5,953,159 | | | | 5,953,159 |
| 39 | | | | | | |
| 40 | DOE Spent Nuclear Fuel Liability Interest Costs - | | | | | |
| 41 | TOTAL | 609,559,368 | | 20,929,209 | *************** | 659,249,153 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities (a) | Balance at Begining of Current Quarter/Year (b) | DEBITS Account Credited (c) | DEBITS Amount (d) | Credits (e) | Balance at End of Current Quarter/Year (f) |
|---|---|---|---|---|---|---|
| 1 | Case No. 15-E-0285 | 12,047,616 | | | ( 2,551,676) | 9,495,940 |
| 2 | | | | | | |
| 3 | Low Income Program Costs - E&G - Case Nos. | | | | | |
| 4 | 15-E-0285 & 15-G-0286 | ( 218,463) | | | 218,463 | |
| 5 | | | | | | |
| 6 | Theoretical Reserve Tax Flow-Through | | | | | |
| 7 | Impacts - Case No. 15-E-0285 | 6,278,898 | | | | 6,278,898 |
| 8 | | | | | | |
| 9 | Net Plant Reconciliation - E&G - Case Nos. | | | | | |
| 10 | 15-E-0285 & 15-G-0286 | 18,656,587 | | | 3,999,815 | 22,656,402 |
| 11 | | | | | | |
| 12 | NMII - TCC Case Nos. 01-E-0011 & 15-E-0285 | 25,758,537 | | | 4,487,362 | 30,245,899 |
| 13 | | | | | | |
| 14 | Variable & Fixed Rate Debt - Case Nos. 15-E-0285 | | | | | |
| 15 | & 15-G-0286 | 8,308,352 | | | 8,319,574 | 16,627,926 |
| 16 | | | | | | |
| 17 | Energy Efficiency Portfolio Standard (EEPS) - | | | | | |
| 18 | Case No. 07-M-0548 | 14,115,532 | | | ( 1,793,273) | 12,322,259 |
| 19 | | | | | | |
| 20 | Mixed Service Costs 263(a) - Carrying Cost - | | | | | |
| 21 | Case Nos. 15-E-0285 & 15-G-0286 | 5,825,944 | | | | 5,825,944 |
| 22 | | | | | | |
| 23 | Default Service Option Electric & Gas Hedges - | | | | | |
| 24 | Case No. 06-M-1017 | 1,751,088 | | | ( 1,751,088) | |
| 25 | | | | | | |
| 26 | Electric Estimated Meter Read-Negative Revenue | | | | | |
| 27 | Adjustment - Case No. 09-E-0717 | 55,534 | | | 3,696 | 59,230 |
| 28 | | | | | | |
| 29 | Loss on Sale of Allegany Generating Station & | | | | | |
| 30 | Savings - Case Nos. 04-M-0906 & 15-E-0285 | 5,120,543 | | | | 5,120,543 |
| 31 | | | | | | |
| 32 | Gas Meter Read Negative Revenue Adjustment - | ( 702,327) | | | ( 487,545) | -1,189,872 |
| 33 | Case No. 09-G-0718 | | | | | |
| 34 | | | | | | |
| 35 | Energy Efficiency Programs - EE Tracker | | | | | |
| 36 | Case Nos. 15-E-0285 & 15-G-0286 | 13,391,667 | | | 10,576,042 | 23,967,709 |
| 37 | | | | | | |
| 38 | Energy Efficiency Programs - CEF - | | | | | |
| 39 | Case Nos. 15-E-0285 & 15-G-0286 | 3,723,603 | | | ( 1,182,024) | 2,541,579 |
| 40 | | | | | | |
| 41 | TOTAL | 609,559,368 | | 20,929,209 | **************** | 659,249,153 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities | Balance at Begining of Current Quarter/Year | DEBITS | | Credits | Balance at End of Current Quarter/Year |
|---|---|---|---|---|---|---|
| | | | Account Credited | Amount | | |
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 1 | Rate Change Levelization - Elec - | | | | | |
| 2 | Case No. 15-E-0285 | 138,173 | | | ( 138,173) | |
| 3 | | | | | | |
| 4 | Natural Gas Marketing/Expansion - | | | | | |
| 5 | Case No. 15-G-0286 | 150,000 | | | | 150,000 |
| 6 | | | | | | |
| 7 | Unfunded Deferred Income Taxes | | | | | |
| 8 | Carrying cost not in Rate Base | | | | | |
| 9 | Case No's 15-E-0285 & 15-G-0286 | 22,283,414 | | | 8,365,015 | 30,648,429 |
| 10 | | | | | | |
| 11 | NCR Medicare D - | | | | | |
| 12 | Case No's 03-E-0765, 04-M-1693, & 09-E-0717 | 241,023 | | | | 241,023 |
| 13 | | | | | | |
| 14 | NYS General Assessment - Case No. 09-M-0311 | 409,923 | | | 6,229 | 416,152 |
| 15 | | | | | | |
| 16 | 2018 Tax Reform - | | | | | |
| 17 | Public Law No. 115-97 "Tax Cuts & Jobs Act" | 296,490,380 | 456, 495 | 6,439,104 | 13,796,370 | 303,847,646 |
| 18 | Case No. 17-M-0815 | | | | | |
| 19 | | | | | | |
| 20 | NY State 2002-2003 Tax Audit Adjustment- | | | | | |
| 21 | Case No 15-E-0285 | 168,548 | | | | 168,548 |
| 22 | | | | | | |
| 23 | NY State Income Tax/Gross Receipts Tax -E & G - | | | | | |
| 24 | Case No. 00-M-1556 | ( 1,019,884) | | | | -1,019,884 |
| 25 | | | | | | |
| 26 | Customer Service Quality Metrics - | | | | | |
| 27 | Case No's 15-E-0285 & 15-G-0286 | 559,927 | | | 562,264 | 1,122,191 |
| 28 | | | | | | |
| 29 | Gas Safety Quality Metrics - Case No 15-G-0286 | 716,191 | | | 797,664 | 1,513,855 |
| 30 | | | | | | |
| 31 | Rate Adjustment Mechanism - | | | | | |
| 32 | Case No. 15-E-0285 | 5,976,264 | | | 4,583,921 | 10,560,185 |
| 33 | | | | | | |
| 34 | Direct Current Fast Charging Infrastructure | | | | | |
| 35 | Program - Case No. 18-E-0138 | | | | 5,257,568 | 5,257,568 |
| 36 | | | | | | |
| 37 | Reforming the Energy Vision - Case Nos. | | | | | |
| 38 | 14-M-0101, 15-E-0285, & 15-G-0286 | | | | 1,797,453 | 1,797,453 |
| 39 | | | | | | |
| 40 | Clean Energy Standard Program - | | | | | |
| 41 | TOTAL | 609,559,368 | | 20,929,209 | *************** | 659,249,153 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities<br>(a) | Balance at Begining of Current Quarter/Year<br>(b) | DEBITS<br>Account Credited<br>(c) | DEBITS<br>Amount<br>(d) | Credits<br>(e) | Balance at End of Current Quarter/Year<br>(f) |
|---|---|---|---|---|---|---|
| 1 | Renewable Energy Credit & Zero Emission Credit - | | | | | |
| 2 | Case Nos. 14-E-0270 & 15-E-0285 | | | | 1,038,813 | 1,038,813 |
| 3 | | | | | | |
| 4 | Ginna Reliability Support Services Agreement - | | | | | |
| 5 | Case Nos. 14-E-0270 & 15-E-0285 | | | | 1,463,627 | 1,463,627 |
| 6 | | | | | | |
| 7 | SFAS No. 158 - ASC715 - Pension Benefits - | | | | | |
| 8 | Case No. 91-M-0890 | | various | 727,857 | 8,973,621 | 8,245,764 |
| 9 | | | | | | |
| 10 | NY 2018 Windstorm Settlement - | | | | | |
| 11 | Case 19-E-0106 | | | | 1,500,000 | 1,500,000 |
| 12 | | | | | | |
| 13 | Miscellaneous | 158,540 | | | ( 333,682) | -175,142 |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | TOTAL | 609,559,368 | | 20,929,209 | *************** | 659,249,153 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of $250,000 or greater in a footnote for accounts 451, 456, and 457.2.

| Line No. | Title of Account<br>(a) | Operating Revenues Year to Date Quarterly/Annual<br>(b) | Operating Revenues Previous year (no Quarterly)<br>(c) |
|---|---|---|---|
| 1 | Sales of Electricity | | |
| 2 | (440) Residential Sales | 328,078,869 | 367,967,917 |
| 3 | (442) Commercial and Industrial Sales | | |
| 4 | Small (or Comm.) (See Instr. 4) | 174,953,737 | 186,822,730 |
| 5 | Large (or Ind.) (See Instr. 4) | 48,853,811 | 53,232,049 |
| 6 | (444) Public Street and Highway Lighting | 4,656,696 | 5,417,625 |
| 7 | (445) Other Sales to Public Authorities | 29,876,307 | 31,253,268 |
| 8 | (446) Sales to Railroads and Railways | | |
| 9 | (448) Interdepartmental Sales | 1,376,053 | 1,395,007 |
| 10 | TOTAL Sales to Ultimate Consumers | 587,795,473 | 646,088,596 |
| 11 | (447) Sales for Resale | 4,917,357 | 6,626,352 |
| 12 | TOTAL Sales of Electricity | 592,712,830 | 652,714,948 |
| 13 | (Less) (449.1) Provision for Rate Refunds | | |
| 14 | TOTAL Revenues Net of Prov. for Refunds | 592,712,830 | 652,714,948 |
| 15 | Other Operating Revenues | | |
| 16 | (450) Forfeited Discounts | 2,712,584 | 2,464,597 |
| 17 | (451) Miscellaneous Service Revenues | 1,806,796 | 1,417,402 |
| 18 | (453) Sales of Water and Water Power | | |
| 19 | (454) Rent from Electric Property | 1,827,441 | 1,489,906 |
| 20 | (455) Interdepartmental Rents | | |
| 21 | (456) Other Electric Revenues | 3,352,794 | -28,446,890 |
| 22 | (456.1) Revenues from Transmission of Electricity of Others | 1,473,762 | 974,766 |
| 23 | (457.1) Regional Control Service Revenues | | |
| 24 | (457.2) Miscellaneous Revenues | | |
| 25 | | | |
| 26 | TOTAL Other Operating Revenues | 11,173,377 | -22,100,219 |
| 27 | TOTAL Electric Operating Revenues | 603,886,207 | 630,614,729 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

| MEGAWATT HOURS SOLD | | AVG.NO. CUSTOMERS PER MONTH | | Line No. |
|---|---|---|---|---|
| Year to Date Quarterly/Annual (d) | Amount Previous year (no Quarterly) (e) | Current Year (no Quarterly) (f) | Previous Year (no Quarterly) (g) | |
| | | | | 1 |
| 2,699,135 | 2,821,549 | 341,659 | 339,925 | 2 |
| | | | | 3 |
| 2,617,236 | 2,635,773 | 37,886 | 37,446 | 4 |
| 1,207,652 | 1,230,634 | 747 | 776 | 5 |
| 37,011 | 41,721 | 469 | 468 | 6 |
| 509,533 | 489,663 | 2,782 | 2,711 | 7 |
| | | | | 8 |
| 38 | 166 | | | 9 |
| 7,070,605 | 7,219,506 | 383,543 | 381,326 | 10 |
| 219,808 | 219,133 | | | 11 |
| 7,290,413 | 7,438,639 | 383,543 | 381,326 | 12 |
| | | | | 13 |
| 7,290,413 | 7,438,639 | 383,543 | 381,326 | 14 |

Line 12, column (b) includes $ -1,647,666 of unbilled revenues.

Line 12, column (d) includes 22,681 MWH relating to unbilled revenues

***Schedule Page: 300 Line No.: 21 Column: b***

| December YTD | 2019 |
|---|---|
| **Regulatory Deferrals** | **(14,837,798)** |
| A/R Purchase Discount-Electric | 150,677 |
| Amortization of Economic Development | (142,836) |
| Direct Current Fast Charging (DCFC) RL | (5,032,000) |
| CEF Electric | 1,139,693 |
| Energy Efficiency Portfolio Standards | (2,435,676) |
| Nine Mile 2 - insurance refunds | (2,111,105) |
| Deferred Non-Bypassible Wire Charges | 259,839 |
| Earnings Sharing | (1,582,000) |
| EE Tracker RE | (2,799,233) |
| Credit & Debit Card Fees | 1,162,873 |
| Energy Supply Reconciliation | 252,019 |
| Excess DIT - NYS Tax Rate Change | (129,232) |
| Ginna RSSA | (15,057,955) |
| Low Income Program | 8,924,234 |
| Merchant Function Charge | (358,091) |
| Net Plant Reconciliation | (3,260,000) |
| Pension Cost Deferral (RE) | (3,332,025) |
| Property Tax Deferral | (6,038,019) |
| Rate Change Levelization | 416,000 |
| Excess DIT - Tax Rate Change (RE) - FED | 4,872,196 |
| Regulatory Decoupling Mechanism | 12,582,228 |
| Service Quality Performance | (2,215,976) |
| Vegetation Deferral | 154,369 |
| Zero Emissions Credits Deferral | (350,206) |
| Other | 92,428 |
| | |
| **Regulatory Amortizations** | 5,503,797 |
| A/R Purchase Discount-Electric | (97,706) |
| Bonus Depreciation NCR | 10,000,000 |
| Funded POWER TAX DIT'S | (1,118,515) |
| Merchant Function Charge | 926,181 |
| Property Tax Deferral | 6,146,023 |
| Regulatory Decoupling Mechanism | (5,614,097) |
| Service Quality Performance | (99,793) |
| Unfunded FIT Reg | (2,499,058) |
| Other | (2,139,238) |
| | |
| **Other** | 12,686,795 |
| A/R Purchase Discount (ESCO) | 1,702,787 |
| Billing and Service Charges | 2,091,979 |
| Damage Billing | 162,394 |
| Intercompany Revenue | (288,873) |
| Other Electric Revenues | 7,915,207 |
| Sundry Billing | 1,103,301 |
| | |
| **Total** | 3,352,794 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

| Line No. | Description of Service<br>(a) | Balance at End of Quarter 1<br>(b) | Balance at End of Quarter 2<br>(c) | Balance at End of Quarter 3<br>(d) | Balance at End of Year<br>(e) |
|---|---|---|---|---|---|
| 1 | None | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
| 45 | | | | | |
| 46 | TOTAL | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

| Line No. | Number and Title of Rate schedule (a) | MWh Sold (b) | Revenue (c) | Average Number of Customers (d) | KWh of Sales Per Customer (e) | Revenue Per KWh Sold (f) |
|---|---|---|---|---|---|---|
| 1 | 440 Residential Sales | | | | | |
| 2 | SC#1 Residential Service | 2,605,695 | 320,608,388 | 336,573 | 7,742 | 0.1230 |
| 3 | SC#2 General Service Small Use | 4,557 | 548,504 | 827 | 5,510 | 0.1204 |
| 4 | SC#3 General Service 100KW Min | 1,955 | 173,524 | 5 | 391,000 | 0.0888 |
| 5 | SC#4 Residential Time of Use Rate | 71,260 | 7,078,479 | 3,487 | 20,436 | 0.0993 |
| 6 | SC#6 Area Lighting | 801 | 178,421 | 708 | 1,131 | 0.2227 |
| 7 | SC#7 General Service 12KW Min | 3,294 | 384,457 | 57 | 57,789 | 0.1167 |
| 8 | SC#8 Large Time of Use Rate | 2,722 | 160,649 | 2 | 1,361,000 | 0.0590 |
| 9 | Unbilled Revenue | 8,851 | -1,053,553 | | | -0.1190 |
| 10 | | | | | | |
| 11 | Total (Account 440) | 2,699,135 | 328,078,869 | 341,659 | 7,900 | 0.1215 |
| 12 | | | | | | |
| 13 | 442 & 443 Commercial & Industrial | | | | | |
| 14 | SC#1 Residential Use | 1,061 | 129,272 | 206 | 5,150 | 0.1218 |
| 15 | SC#2 General Service Small Use | 201,405 | 21,565,830 | 27,234 | 7,395 | 0.1071 |
| 16 | SC#3 General Service 100KW Min | 509,718 | 35,672,852 | 1,004 | 507,687 | 0.0700 |
| 17 | SC#4 Time of Use Rate | 5 | 699 | 1 | 5,000 | 0.1398 |
| 18 | SC#6 Area Lighting | 5,725 | 1,078,982 | 1,353 | 4,231 | 0.1885 |
| 19 | SC#7, 13, 14 General Service 12KW | 866,071 | 70,305,102 | 8,040 | 107,720 | 0.0812 |
| 20 | SC#8 Large Time of Use Rate | 2,201,755 | 93,270,228 | 569 | 3,869,517 | 0.0424 |
| 21 | SC#9 General Service Time of Use | 27,320 | 2,290,524 | 226 | 120,885 | 0.0838 |
| 22 | | | | | | |
| 23 | Unbilled Revenue | 11,828 | -505,941 | | | -0.0428 |
| 24 | | | | | | |
| 25 | Total (Account 442 & 443) | 3,824,888 | 223,807,548 | 38,633 | 99,006 | 0.0585 |
| 26 | | | | | | |
| 27 | 444 Public Street & Highway Light | | | | | |
| 28 | SC#1 Residential Service | 11,515 | 3,020,393 | 297 | 38,771 | 0.2623 |
| 29 | SC#2 General Service Small Use | 22,893 | 1,522,069 | 83 | 275,819 | 0.0665 |
| 30 | SC#3 General Service 100KW Min | 2,852 | 176,343 | 76 | 37,526 | 0.0618 |
| 31 | SC#6 Area Lighting | 71 | 13,772 | 13 | 5,462 | 0.1940 |
| 32 | Unbilled | -320 | -75,881 | | | 0.2371 |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | Total (Account 444) | 37,011 | 4,656,696 | 469 | 78,915 | 0.1258 |
| 36 | | | | | | |
| 37 | 445 Other Sales to Public Authori | | | | | |
| 38 | SC#1 Residential Service | 173 | 26,077 | 13 | 13,308 | 0.1507 |
| 39 | SC#2 General Service Small Use | 12,259 | 1,200,937 | 1,657 | 7,398 | 0.0980 |
| 40 | SC#3 General Service 100KW Min | 84,074 | 6,073,390 | 168 | 500,440 | 0.0722 |
| | | | | | | |
| 41 | TOTAL Billed | 7,047,924 | 589,443,139 | 383,543 | 18,376 | 0.0836 |
| 42 | Total Unbilled Rev.(See Instr. 6) | 22,681 | -1,647,666 | 0 | 0 | -0.0726 |
| 43 | TOTAL | 7,070,605 | 587,795,473 | 383,543 | 18,435 | 0.0831 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

| Line No. | Number and Title of Rate schedule (a) | MWh Sold (b) | Revenue (c) | Average Number of Customers (d) | KWh of Sales Per Customer (e) | Revenue Per KWh Sold (f) |
|---|---|---|---|---|---|---|
| 1 | SC#6 Area Lighting | 474 | 87,928 | 172 | 2,756 | 0.1855 |
| 2 | SC#7, 13, 14 General Service 12KW | 77,451 | 6,072,189 | 572 | 135,404 | 0.0784 |
| 3 | SC#8 Large Time of Use Rate | 322,269 | 15,595,968 | 126 | 2,557,690 | 0.0484 |
| 4 | SC#9 General Service Time of Use | 10,511 | 832,108 | 75 | 140,147 | 0.0792 |
| 5 | | | | | | |
| 6 | Unbilled Revenue | 2,322 | -12,290 | | | -0.0053 |
| 7 | | | | | | |
| 8 | Total (Account 445) | 509,533 | 29,876,307 | 2,783 | 183,088 | 0.0586 |
| 9 | | | | | | |
| 10 | 448 Interdepartmental Sales | | | | | |
| 11 | SC#2 General Service Small Use | -1,358 | 1,233,280 | | | -0.9082 |
| 12 | SC#3 General Service 100KW Min | 1,179 | 109,994 | | | 0.0933 |
| 13 | SC#6 Area Lighting | 123 | 22,559 | | | 0.1834 |
| 14 | SC#7, 13, 14 General Service 12KW | 94 | 10,220 | | | 0.1087 |
| 15 | | | | | | |
| 16 | Total (Account 448) | 38 | 1,376,053 | | | 36.2119 |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| | | | | | | |
| 41 | TOTAL Billed | 7,047,924 | 589,443,139 | 383,543 | 18,376 | 0.0836 |
| 42 | Total Unbilled Rev.(See Instr. 6) | 22,681 | -1,647,666 | 0 | 0 | -0.0726 |
| 43 | TOTAL | 7,070,605 | 587,795,473 | 383,543 | 18,435 | 0.0831 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity ( i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

| Line No. | Name of Company or Public Authority (Footnote Affiliations) (a) | Statistical Classification (b) | FERC Rate Schedule or Tariff Number (c) | Average Monthly Billing Demand (MW) (d) | Actual Demand (MW) Average Monthly NCP Demand (e) | Actual Demand (MW) Average Monthly CP Demand (f) |
|---|---|---|---|---|---|---|
| 1 | Non-Associated Utilities | RQ | | | | |
| 2 | | | | | | |
| 3 | New York Independent System Operator | OS | | | | 6.7259 |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| | | | | | | |
| | Subtotal RQ | | | 0 | 0 | 0 |
| | Subtotal non-RQ | | | 0 | 0 | 0 |
| | **Total** | | | **0** | **0** | **0** |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)
demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,iine 24.
10. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Sold<br>(g) | REVENUE<br>Demand Charges ($)<br>(h) | Energy Charges ($)<br>(i) | Other Charges ($)<br>(j) | Total ($)<br>(h+i+j)<br>(k) | Line No. |
|---|---|---|---|---|---|
| 1,322 | | 129,612 | | 129,612 | 1 |
| | | | | | 2 |
| 218,486 | 2,419 | 4,785,326 | | 4,787,745 | 3 |
| | | | | | 4 |
| | | | | | 5 |
| | | | | | 6 |
| | | | | | 7 |
| | | | | | 8 |
| | | | | | 9 |
| | | | | | 10 |
| | | | | | 11 |
| | | | | | 12 |
| | | | | | 13 |
| | | | | | 14 |
| | | | | | |
| 1,322 | 0 | 129,612 | 0 | 129,612 | |
| 218,486 | 2,419 | 4,785,326 | 0 | 4,787,745 | |
| **219,808** | **2,419** | **4,914,938** | **0** | **4,917,357** | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account<br>(a) | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|---|---|---|---|
| 1 | 1. POWER PRODUCTION EXPENSES | | |
| 2 | A. Steam Power Generation | | |
| 3 | Operation | | |
| 4 | (500) Operation Supervision and Engineering | | |
| 5 | (501) Fuel | | |
| 6 | (502) Steam Expenses | | |
| 7 | (503) Steam from Other Sources | | |
| 8 | (Less) (504) Steam Transferred-Cr. | | |
| 9 | (505) Electric Expenses | | |
| 10 | (506) Miscellaneous Steam Power Expenses | | |
| 11 | (507) Rents | | |
| 12 | (509) Allowances | | |
| 13 | TOTAL Operation (Enter Total of Lines 4 thru 12) | | |
| 14 | Maintenance | | |
| 15 | (510) Maintenance Supervision and Engineering | | |
| 16 | (511) Maintenance of Structures | | |
| 17 | (512) Maintenance of Boiler Plant | | |
| 18 | (513) Maintenance of Electric Plant | | |
| 19 | (514) Maintenance of Miscellaneous Steam Plant | | |
| 20 | TOTAL Maintenance (Enter Total of Lines 15 thru 19) | | |
| 21 | TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20) | | |
| 22 | B. Nuclear Power Generation | | |
| 23 | Operation | | |
| 24 | (517) Operation Supervision and Engineering | | |
| 25 | (518) Fuel | | |
| 26 | (519) Coolants and Water | | |
| 27 | (520) Steam Expenses | | |
| 28 | (521) Steam from Other Sources | | |
| 29 | (Less) (522) Steam Transferred-Cr. | | |
| 30 | (523) Electric Expenses | | |
| 31 | (524) Miscellaneous Nuclear Power Expenses | | |
| 32 | (525) Rents | | |
| 33 | TOTAL Operation (Enter Total of lines 24 thru 32) | | |
| 34 | Maintenance | | |
| 35 | (528) Maintenance Supervision and Engineering | | |
| 36 | (529) Maintenance of Structures | | |
| 37 | (530) Maintenance of Reactor Plant Equipment | | |
| 38 | (531) Maintenance of Electric Plant | | |
| 39 | (532) Maintenance of Miscellaneous Nuclear Plant | | |
| 40 | TOTAL Maintenance (Enter Total of lines 35 thru 39) | | |
| 41 | TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40) | | |
| 42 | C. Hydraulic Power Generation | | |
| 43 | Operation | | |
| 44 | (535) Operation Supervision and Engineering | 784,298 | 853,281 |
| 45 | (536) Water for Power | 15,080 | 9,854 |
| 46 | (537) Hydraulic Expenses | 62,482 | 82,769 |
| 47 | (538) Electric Expenses | | 1,395 |
| 48 | (539) Miscellaneous Hydraulic Power Generation Expenses | 356,220 | 1,833,348 |
| 49 | (540) Rents | 1,660 | |
| 50 | TOTAL Operation (Enter Total of Lines 44 thru 49) | 1,219,740 | 2,780,647 |
| 51 | C. Hydraulic Power Generation (Continued) | | |
| 52 | Maintenance | | |
| 53 | (541) Mainentance Supervision and Engineering | 219,117 | 127,182 |
| 54 | (542) Maintenance of Structures | 43,298 | 163,843 |
| 55 | (543) Maintenance of Reservoirs, Dams, and Waterways | 53,512 | 672,075 |
| 56 | (544) Maintenance of Electric Plant | 210,247 | 393,027 |
| 57 | (545) Maintenance of Miscellaneous Hydraulic Plant | 58,708 | 2,977,095 |
| 58 | TOTAL Maintenance (Enter Total of lines 53 thru 57) | 584,882 | 4,333,222 |
| 59 | TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58) | 1,804,622 | 7,113,869 |
| | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account (a) | Amount for Current Year (b) | Amount for Previous Year (c) |
|---|---|---|---|
| 60 | D. Other Power Generation | | |
| 61 | Operation | | |
| 62 | (546) Operation Supervision and Engineering | | |
| 63 | (547) Fuel | | |
| 64 | (548) Generation Expenses | | |
| 65 | (549) Miscellaneous Other Power Generation Expenses | | |
| 66 | (550) Rents | | |
| 67 | TOTAL Operation (Enter Total of lines 62 thru 66) | | |
| 68 | Maintenance | | |
| 69 | (551) Maintenance Supervision and Engineering | | |
| 70 | (552) Maintenance of Structures | | |
| 71 | (553) Maintenance of Generating and Electric Plant | | |
| 72 | (554) Maintenance of Miscellaneous Other Power Generation Plant | | |
| 73 | TOTAL Maintenance (Enter Total of lines 69 thru 72) | | |
| 74 | TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73) | | |
| 75 | E. Other Power Supply Expenses | | |
| 76 | (555) Purchased Power | 94,957,580 | 128,816,789 |
| 77 | (556) System Control and Load Dispatching | | |
| 78 | (557) Other Expenses | 10,799,552 | 9,915,591 |
| 79 | TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78) | 105,757,132 | 138,732,380 |
| 80 | TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79) | 107,561,754 | 145,846,249 |
| 81 | 2. TRANSMISSION EXPENSES | | |
| 82 | Operation | | |
| 83 | (560) Operation Supervision and Engineering | 1,164,902 | 388,257 |
| 84 | | | |
| 85 | (561.1) Load Dispatch-Reliability | 158,241 | 102,084 |
| 86 | (561.2) Load Dispatch-Monitor and Operate Transmission System | 869,577 | 1,275,341 |
| 87 | (561.3) Load Dispatch-Transmission Service and Scheduling | | |
| 88 | (561.4) Scheduling, System Control and Dispatch Services | | |
| 89 | (561.5) Reliability, Planning and Standards Development | | |
| 90 | (561.6) Transmission Service Studies | 7,961 | 95,797 |
| 91 | (561.7) Generation Interconnection Studies | | |
| 92 | (561.8) Reliability, Planning and Standards Development Services | | |
| 93 | (562) Station Expenses | 519,814 | 1,844,554 |
| 94 | (563) Overhead Lines Expenses | 593,159 | 620,671 |
| 95 | (564) Underground Lines Expenses | 9,338 | 3,745 |
| 96 | (565) Transmission of Electricity by Others | 319,896 | 319,896 |
| 97 | (566) Miscellaneous Transmission Expenses | 761,718 | 943,046 |
| 98 | (567) Rents | 1,617 | |
| 99 | TOTAL Operation (Enter Total of lines 83 thru 98) | 4,406,223 | 5,593,391 |
| 100 | Maintenance | | |
| 101 | (568) Maintenance Supervision and Engineering | 99,979 | 280,199 |
| 102 | (569) Maintenance of Structures | 11,296 | |
| 103 | (569.1) Maintenance of Computer Hardware | | |
| 104 | (569.2) Maintenance of Computer Software | | |
| 105 | (569.3) Maintenance of Communication Equipment | | |
| 106 | (569.4) Maintenance of Miscellaneous Regional Transmission Plant | | |
| 107 | (570) Maintenance of Station Equipment | 1,100,888 | 1,478,639 |
| 108 | (571) Maintenance of Overhead Lines | 2,597,477 | 2,488,690 |
| 109 | (572) Maintenance of Underground Lines | 309,093 | 394,168 |
| 110 | (573) Maintenance of Miscellaneous Transmission Plant | 5,201 | 6,771 |
| 111 | TOTAL Maintenance (Total of lines 101 thru 110) | 4,123,934 | 4,648,467 |
| 112 | TOTAL Transmission Expenses (Total of lines 99 and 111) | 8,530,157 | 10,241,858 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account<br>(a) | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|---|---|---|---|
| 113 | 3. REGIONAL MARKET EXPENSES | | |
| 114 | Operation | | |
| 115 | (575.1) Operation Supervision | | |
| 116 | (575.2) Day-Ahead and Real-Time Market Facilitation | | |
| 117 | (575.3) Transmission Rights Market Facilitation | | |
| 118 | (575.4) Capacity Market Facilitation | | |
| 119 | (575.5) Ancillary Services Market Facilitation | | |
| 120 | (575.6) Market Monitoring and Compliance | | |
| 121 | (575.7) Market Facilitation, Monitoring and Compliance Services | | |
| 122 | (575.8) Rents | | |
| 123 | Total Operation (Lines 115 thru 122) | | |
| 124 | Maintenance | | |
| 125 | (576.1) Maintenance of Structures and Improvements | | |
| 126 | (576.2) Maintenance of Computer Hardware | | |
| 127 | (576.3) Maintenance of Computer Software | | |
| 128 | (576.4) Maintenance of Communication Equipment | | |
| 129 | (576.5) Maintenance of Miscellaneous Market Operation Plant | | |
| 130 | Total Maintenance (Lines 125 thru 129) | | |
| 131 | TOTAL Regional Transmission and Market Op Expns (Total 123 and 130) | | |
| 132 | 4. DISTRIBUTION EXPENSES | | |
| 133 | Operation | | |
| 134 | (580) Operation Supervision and Engineering | 1,217,062 | 1,428,741 |
| 135 | (581) Load Dispatching | 1,203,561 | 1,636,304 |
| 136 | (582) Station Expenses | 964,289 | 2,220,164 |
| 137 | (583) Overhead Line Expenses | 906,319 | 1,787,359 |
| 138 | (584) Underground Line Expenses | 160,864 | 340,316 |
| 139 | (585) Street Lighting and Signal System Expenses | 190 | 979 |
| 140 | (586) Meter Expenses | 1,002,330 | 1,395,226 |
| 141 | (587) Customer Installations Expenses | 356,297 | 297,058 |
| 142 | (588) Miscellaneous Expenses | 3,437,298 | 3,883,373 |
| 143 | (589) Rents | 38,321 | |
| 144 | TOTAL Operation (Enter Total of lines 134 thru 143) | 9,286,531 | 12,989,520 |
| 145 | Maintenance | | |
| 146 | (590) Maintenance Supervision and Engineering | 1,916,629 | 3,444,538 |
| 147 | (591) Maintenance of Structures | | |
| 148 | (592) Maintenance of Station Equipment | 2,768,666 | 3,018,063 |
| 149 | (593) Maintenance of Overhead Lines | 42,449,133 | 43,504,378 |
| 150 | (594) Maintenance of Underground Lines | 1,696,794 | 1,980,351 |
| 151 | (595) Maintenance of Line Transformers | | |
| 152 | (596) Maintenance of Street Lighting and Signal Systems | 377,752 | 620,475 |
| 153 | (597) Maintenance of Meters | | |
| 154 | (598) Maintenance of Miscellaneous Distribution Plant | 6,511,273 | -4,912,923 |
| 155 | TOTAL Maintenance (Total of lines 146 thru 154) | 55,720,247 | 47,654,882 |
| 156 | TOTAL Distribution Expenses (Total of lines 144 and 155) | 65,006,778 | 60,644,402 |
| 157 | 5. CUSTOMER ACCOUNTS EXPENSES | | |
| 158 | Operation | | |
| 159 | (901) Supervision | 235,207 | 548,849 |
| 160 | (902) Meter Reading Expenses | 2,672,002 | 2,615,654 |
| 161 | (903) Customer Records and Collection Expenses | 11,726,010 | 11,465,634 |
| 162 | (904) Uncollectible Accounts | 8,543,655 | 8,482,936 |
| 163 | (905) Miscellaneous Customer Accounts Expenses | 11,397,489 | 8,985,218 |
| 164 | TOTAL Customer Accounts Expenses (Total of lines 159 thru 163) | 34,574,363 | 32,098,291 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account (a) | Amount for Current Year (b) | Amount for Previous Year (c) |
|---|---|---|---|
| 165 | 6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES | | |
| 166 | Operation | | |
| 167 | (907) Supervision | 19,214 | 28,418 |
| 168 | (908) Customer Assistance Expenses | 7,723,377 | 8,940,853 |
| 169 | (909) Informational and Instructional Expenses | 349,066 | 44,617 |
| 170 | (910) Miscellaneous Customer Service and Informational Expenses | 37,405,410 | 37,367,564 |
| 171 | TOTAL Customer Service and Information Expenses (Total 167 thru 170) | 45,497,067 | 46,381,452 |
| 172 | 7. SALES EXPENSES | | |
| 173 | Operation | | |
| 174 | (911) Supervision | 103,918 | 70,701 |
| 175 | (912) Demonstrating and Selling Expenses | 4,267,907 | 4,266,804 |
| 176 | (913) Advertising Expenses | 106,525 | 117,036 |
| 177 | (916) Miscellaneous Sales Expenses | 1,770 | 97,790 |
| 178 | TOTAL Sales Expenses (Enter Total of lines 174 thru 177) | 4,480,120 | 4,552,331 |
| 179 | 8. ADMINISTRATIVE AND GENERAL EXPENSES | | |
| 180 | Operation | | |
| 181 | (920) Administrative and General Salaries | 2,067,331 | 2,502,336 |
| 182 | (921) Office Supplies and Expenses | 1,316,400 | 2,468,819 |
| 183 | (Less) (922) Administrative Expenses Transferred-Credit | 3,697,801 | 3,628,278 |
| 184 | (923) Outside Services Employed | 30,636,141 | 31,479,209 |
| 185 | (924) Property Insurance | -2,273,658 | -4,274,951 |
| 186 | (925) Injuries and Damages | 1,214,710 | 384,697 |
| 187 | (926) Employee Pensions and Benefits | 5,391,390 | 15,557,114 |
| 188 | (927) Franchise Requirements | | |
| 189 | (928) Regulatory Commission Expenses | 2,785,466 | 3,348,632 |
| 190 | (929) (Less) Duplicate Charges-Cr. | -1,310,782 | 306,482 |
| 191 | (930.1) General Advertising Expenses | 299,756 | 314,439 |
| 192 | (930.2) Miscellaneous General Expenses | 4,477,670 | 1,930,527 |
| 193 | (931) Rents | 1,429,551 | |
| 194 | TOTAL Operation (Enter Total of lines 181 thru 193) | 44,957,738 | 49,776,062 |
| 195 | Maintenance | | |
| 196 | (935) Maintenance of General Plant | 530,759 | 723,500 |
| 197 | TOTAL Administrative & General Expenses (Total of lines 194 and 196) | 45,488,497 | 50,499,562 |
| 198 | TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197) | 311,138,736 | 350,264,145 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority (Footnote Affiliations) (a) | Statistical Classification (b) | FERC Rate Schedule or Tariff Number (c) | Average Monthly Billing Demand (MW) (d) | Actual Demand (MW) Average Monthly NCP Demand (e) | Actual Demand (MW) Average Monthly CP Demand (f) |
|---|---|---|---|---|---|---|
| 1 | Canax Energy, Inc | | | | | |
| 2 | Evolution Markets Futures, Inc | RQ | | | | |
| 3 | Exelon Generation Company | | | | | 100 |
| 4 | National Grid | RQ | 26 | | | |
| 5 | New York ISO | SF | 15 | | | 444 |
| 6 | New York Power Authority | SF | 25 | | | 35 |
| 7 | Northern Development | | | | | |
| 8 | NRG Power Marketing, Inc | | | | | 250 |
| 9 | Other | | | | | |
| 10 | PJM | | | | | |
| 11 | Recycled Energy Development (RED) | | | | | |
| 12 | Rosenthal Collins Group, LLC | | | | | |
| 13 | TFS Energy | | | | | |
| 14 | Trident Brokerage Services | | | | | |
| | Total | | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased (g) | POWER EXCHANGES<br>MegaWatt Hours Received (h) | MegaWatt Hours Delivered (i) | COST/SETTLEMENT OF POWER<br>Demand Charges ($) (j) | Energy Charges ($) (k) | Other Charges ($) (l) | Total (j+k+l) of Settlement ($) (m) | Line No. |
|---|---|---|---|---|---|---|---|
| | | | | | 6,333 | 6,333 | 1 |
| | | | | | 29,016 | 29,016 | 2 |
| | | | 1,200,000 | | | 1,200,000 | 3 |
| | 521 | | | 55,248 | | 55,248 | 4 |
| 3,214,659 | | | 3,969,057 | 77,912,698 | -157,475 | 81,724,280 | 5 |
| 38,170 | | | 1,515,505 | 188,563 | -6,528,000 | -4,823,932 | 6 |
| | | | | 9 | | 9 | 7 |
| | | | 3,840,000 | | | 3,840,000 | 8 |
| 53,913 | | | | 4,269,158 | | 4,269,158 | 9 |
| | | | | 3,142 | | 3,142 | 10 |
| 1,143 | | | | 38,471 | | 38,471 | 11 |
| | | | | | 8,569,622 | 8,569,622 | 12 |
| | | | | | 32,913 | 32,913 | 13 |
| | | | | | 13,320 | 13,320 | 14 |
| 3,307,885 | 521 | | 10,524,562 | 82,467,289 | 1,965,729 | 94,957,580 | |

***Schedule Page: 326 Line No.: 1 Column: l***

Current Year Broker Charges

***Schedule Page: 326 Line No.: 2 Column: l***

Current Year Broker Charges

***Schedule Page: 326 Line No.: 5 Column: l***

Prior Year ISO Charges (Closeouts)

***Schedule Page: 326 Line No.: 6 Column: l***

NYPA Recharge New York

***Schedule Page: 326 Line No.: 12 Column: l***

Current Year Contract for Difference / Broker Charges

***Schedule Page: 326 Line No.: 13 Column: l***

Current Year Broker Charges

***Schedule Page: 326 Line No.: 14 Column: l***

Current Year Broker Charges

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

| Line No. | Payment By (Company of Public Authority) (Footnote Affiliation) (a) | Energy Received From (Company of Public Authority) (Footnote Affiliation) (b) | Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c) | Statistical Classification (d) |
|---|---|---|---|---|
| 1 | New York Power Authority (NYPA) | New York Power Authority | Village of Angelica/Spencerport | LFP |
| 2 | NYISO - Transmission Congestion Contracts | | | OS |
| 3 | Other | | | OS |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| | TOTAL | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

| FERC Rate Schedule of Tariff Number (e) | Point of Receipt (Subsatation or Other Designation) (f) | Point of Delivery (Substation or Other Designation) (g) | Billing Demand (MW) (h) | TRANSFER OF ENERGY MegaWatt Hours Received (i) | TRANSFER OF ENERGY MegaWatt Hours Delivered (j) | Line No. |
|---|---|---|---|---|---|---|
| 25 | Station 80 | Sta. 8210, 70, 418 | | 80,544 | 78,130 | 1 |
| | | | | | | 2 |
| | | | | | | 3 |
| | | | | | | 4 |
| | | | | | | 5 |
| | | | | | | 6 |
| | | | | | | 7 |
| | | | | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| | | | | | | 14 |
| | | | | | | 15 |
| | | | | | | 16 |
| | | | | | | 17 |
| | | | | | | 18 |
| | | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| | | | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
| | | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | | | 33 |
| | | | | | | 34 |
| | | | 0 | **80,544** | **78,130** | |

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

| Demand Charges ($) (k) | Energy Charges ($) (l) | (Other Charges) ($) (m) | Total Revenues ($) (k+l+m) (n) | Line No. |
|---|---|---|---|---|
| | 228,096 | | 228,096 | 1 |
| | | 1,215,721 | 1,215,721 | 2 |
| | | 29,945 | 29,945 | 3 |
| | | | | 4 |
| | | | | 5 |
| | | | | 6 |
| | | | | 7 |
| | | | | 8 |
| | | | | 9 |
| | | | | 10 |
| | | | | 11 |
| | | | | 12 |
| | | | | 13 |
| | | | | 14 |
| | | | | 15 |
| | | | | 16 |
| | | | | 17 |
| | | | | 18 |
| | | | | 19 |
| | | | | 20 |
| | | | | 21 |
| | | | | 22 |
| | | | | 23 |
| | | | | 24 |
| | | | | 25 |
| | | | | 26 |
| | | | | 27 |
| | | | | 28 |
| | | | | 29 |
| | | | | 30 |
| | | | | 31 |
| | | | | 32 |
| | | | | 33 |
| | | | | 34 |
| **0** | **228,096** | **1,245,666** | **1,473,762** | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TRANSMISSION OF ELECTRICITY BY ISO/RTOs

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

| Line No. | Payment Received by (Transmission Owner Name) (a) | Statistical Classification (b) | FERC Rate Schedule or Tariff Number (c) | Total Revenue by Rate Schedule or Tarirff (d) | Total Revenue (e) |
|---|---|---|---|---|---|
| 1 | Not Applicable | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | TOTAL | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

| Line No. | Name of Company or Public Authority (Footnote Affiliations) (a) | Statistical Classification (b) | TRANSFER OF ENERGY: Magawatt-hours Received (c) | TRANSFER OF ENERGY: Magawatt-hours Delivered (d) | EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS: Demand Charges ($) (e) | Energy Charges ($) (f) | Other Charges ($) (g) | Total Cost of Transmission ($) (h) |
|---|---|---|---|---|---|---|---|---|
| 1 | National Grid | OS | | | 319,896 | | | 319,896 |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| 4 | | | | | | | | |
| 5 | | | | | | | | |
| 6 | | | | | | | | |
| 7 | | | | | | | | |
| 8 | | | | | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | | | | | | | | |
| 16 | | | | | | | | |
| | TOTAL | | | | 319,896 | | | 319,896 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

| Line No. | Description (a) | Amount (b) |
|---|---|---|
| 1 | Industry Association Dues | 11,090 |
| 2 | Nuclear Power Research Expenses | |
| 3 | Other Experimental and General Research Expenses | |
| 4 | Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities | |
| 5 | Oth Expn >=5,000 show purpose, recipient, amount. Group if < $5,000 | |
| 6 | Net Cost of Decommissioning | -18,210 |
| 7 | Net Undistributed Adjustments | -10,467 |
| 8 | Other Environmental Activities | 4,385,500 |
| 9 | Invoicing Pricing Variance | 27,329 |
| 10 | Other | 82,428 |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | | |
| 41 | | |
| 42 | | |
| 43 | | |
| 44 | | |
| 45 | | |
| 46 | TOTAL | 4,477,670 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of aquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

### A. Summary of Depreciation and Amortization Charges

| Line No. | Functional Classification (a) | Depreciation Expense (Account 403) (b) | Depreciation Expense for Asset Retirement Costs (Account 403.1) (c) | Amortization of Limited Term Electric Plant (Account 404) (d) | Amortization of Other Electric Plant (Acc 405) (e) | Total (f) |
|---|---|---|---|---|---|---|
| 1 | Intangible Plant | | | 56,519 | | 56,519 |
| 2 | Steam Production Plant | 6,470,000 | | | | 6,470,000 |
| 3 | Nuclear Production Plant | | | | | |
| 4 | Hydraulic Production Plant-Conventional | 3,667,111 | | | | 3,667,111 |
| 5 | Hydraulic Production Plant-Pumped Storage | | | | | |
| 6 | Other Production Plant | | | | | |
| 7 | Transmission Plant | 16,578,469 | | | | 16,578,469 |
| 8 | Distribution Plant | 26,921,880 | | | | 26,921,880 |
| 9 | Regional Transmission and Market Operation | | | | | |
| 10 | General Plant | 1,884,700 | | | | 1,884,700 |
| 11 | Common Plant-Electric | 7,810,114 | | 2,822,979 | | 10,633,093 |
| 12 | TOTAL | 63,332,274 | | 2,879,498 | | 66,211,772 |

### B. Basis for Amortization Charges

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

### C. Factors Used in Estimating Depreciation Charges

| Line No. | Account No. (a) | Depreciable Plant Base (In Thousands) (b) | Estimated Avg. Service Life (c) | Net Salvage (Percent) (d) | Applied Depr. rates (Percent) (e) | Mortality Curve Type (f) | Average Remaining Life (g) |
|---|---|---|---|---|---|---|---|
| 12 | There were no changes | | | | | | |
| 13 | to depreciation rates | | | | | | |
| 14 | during 2019. | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 29 | | | | | | | |
| 30 | | | | | | | |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | | | | | | | |
| 36 | | | | | | | |
| 37 | | | | | | | |
| 38 | | | | | | | |
| 39 | | | | | | | |
| 40 | | | | | | | |
| 41 | | | | | | | |
| 42 | | | | | | | |
| 43 | | | | | | | |
| 44 | | | | | | | |
| 45 | | | | | | | |
| 46 | | | | | | | |
| 47 | | | | | | | |
| 48 | | | | | | | |
| 49 | | | | | | | |
| 50 | | | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

| Line No. | Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a) | Assessed by Regulatory Commission (b) | Expenses of Utility (c) | Total Expense for Current Year (b) + (c) (d) | Deferred in Account 182.3 at Beginning of Year (e) |
|---|---|---|---|---|---|
| 1 | NYPSC Annual Assessment | 2,072,880 | | 2,072,880 | |
| 2 | | | | | |
| 3 | NYSERDA Assessment | 711,098 | | 711,098 | |
| 4 | | | | | |
| 5 | NYS Cases less than $25,000 | | 1,488 | 1,488 | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
| 45 | | | | | |
| 46 | TOTAL | 2,783,978 | 1,488 | 2,785,466 | |

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than $25,000) may be grouped.

| EXPENSES INCURRED DURING YEAR | | | | AMORTIZED DURING YEAR | | | |
|---|---|---|---|---|---|---|---|
| CURRENTLY CHARGED TO | | | Deferred to Account 182.3 | Contra Account | Amount | Deferred in Account 182.3 End of Year | Line No. |
| Department<br>(f) | Account No.<br>(g) | Amount<br>(h) | (i) | (j) | (k) | (l) | |
| Electric | 928 | 2,072,880 | | | | | 1 |
| | | | | | | | 2 |
| Electric | 928 | 711,098 | | | | | 3 |
| | | | | | | | 4 |
| Electric | 928 | 1,488 | | | | | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | | | | | | 9 |
| | | | | | | | 10 |
| | | | | | | | 11 |
| | | | | | | | 12 |
| | | | | | | | 13 |
| | | | | | | | 14 |
| | | | | | | | 15 |
| | | | | | | | 16 |
| | | | | | | | 17 |
| | | | | | | | 18 |
| | | | | | | | 19 |
| | | | | | | | 20 |
| | | | | | | | 21 |
| | | | | | | | 22 |
| | | | | | | | 23 |
| | | | | | | | 24 |
| | | | | | | | 25 |
| | | | | | | | 26 |
| | | | | | | | 27 |
| | | | | | | | 28 |
| | | | | | | | 29 |
| | | | | | | | 30 |
| | | | | | | | 31 |
| | | | | | | | 32 |
| | | | | | | | 33 |
| | | | | | | | 34 |
| | | | | | | | 35 |
| | | | | | | | 36 |
| | | | | | | | 37 |
| | | | | | | | 38 |
| | | | | | | | 39 |
| | | | | | | | 40 |
| | | | | | | | 41 |
| | | | | | | | 42 |
| | | | | | | | 43 |
| | | | | | | | 44 |
| | | | | | | | 45 |
| | | 2,785,466 | | | | | 46 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects.(Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:
- (1) Generation
  - a. hydroelectric
    - i. Recreation fish and wildlife
    - ii Other hydroelectric
  - b. Fossil-fuel steam
  - c. Internal combustion or gas turbine
  - d. Nuclear
  - e. Unconventional generation
  - f. Siting and heat rejection
- (2) Transmission
  - a. Overhead
  - b. Underground
- (3) Distribution
- (4) Regional Transmission and Market Operation
- (5) Environment (other than equipment)
- (6) Other (Classify and include items in excess of $50,000.)
- (7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:
- (1) Research Support to the electrical Research Council or the Electric Power Research Institute

| Line No. | Classification (a) | Description (b) |
|---|---|---|
| 1 | B4 | New York State Energy Research and Development Authority (NYSERDA) |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects.(Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:
A. Electric R, D & D Performed Internally:
(1) Generation
a. hydroelectric
i. Recreation fish and wildlife
ii Other hydroelectric
b. Fossil-fuel steam
c. Internal combustion or gas turbine
d. Nuclear
e. Unconventional generation
f. Siting and heat rejection
(2) Transmission
a. Overhead
b. Underground
(3) Distribution
(4) Regional Transmission and Market Operation
(5) Environment (other than equipment)
(6) Other (Classify and include items in excess of $50,000.)
(7) Total Cost Incurred
B. Electric, R, D & D Performed Externally:
(1) Research Support to the electrical Research Council or the Electric Power Research Institute

| Line No. | Classification (a) | Description (b) |
|---|---|---|
| 38 | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute
(3) Research Support to Nuclear Power Groups
(4) Research Support to Others (Classify)
(5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing $50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under $50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)
5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R, D &D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."
7. Report separately research and related testing facilities operated by the respondent.

| Costs Incurred Internally Current Year (c) | Costs Incurred Externally Current Year (d) | AMOUNTS CHARGED IN CURRENT YEAR Account (e) | AMOUNTS CHARGED IN CURRENT YEAR Amount (f) | Unamortized Accumulation (g) | Line No. |
|---|---|---|---|---|---|
| | 701,533 | 928 | 701,533 | | 1 |
| | | | | | 2 |
| | | | | | 3 |
| | | | | | 4 |
| | | | | | 5 |
| | | | | | 6 |
| | | | | | 7 |
| | | | | | 8 |
| | | | | | 9 |
| | | | | | 10 |
| | | | | | 11 |
| | | | | | 12 |
| | | | | | 13 |
| | | | | | 14 |
| | | | | | 15 |
| | | | | | 16 |
| | | | | | 17 |
| | | | | | 18 |
| | | | | | 19 |
| | | | | | 20 |
| | | | | | 21 |
| | | | | | 22 |
| | | | | | 23 |
| | | | | | 24 |
| | | | | | 25 |
| | | | | | 26 |
| | | | | | 27 |
| | | | | | 28 |
| | | | | | 29 |
| | | | | | 30 |
| | | | | | 31 |
| | | | | | 32 |
| | | | | | 33 |
| | | | | | 34 |
| | | | | | 35 |
| | | | | | 36 |
| | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute
(3) Research Support to Nuclear Power Groups
(4) Research Support to Others (Classify)
(5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing $50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under $50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)
5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R, D &D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."
7. Report separately research and related testing facilities operated by the respondent.

| Costs Incurred Internally Current Year (c) | Costs Incurred Externally Current Year (d) | AMOUNTS CHARGED IN CURRENT YEAR Account (e) | AMOUNTS CHARGED IN CURRENT YEAR Amount (f) | Unamortized Accumulation (g) | Line No. |
|---|---|---|---|---|---|
| | | | | | 37 |
| | | | | | 38 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

| Line No. | Classification (a) | Direct Payroll Distribution (b) | Allocation of Payroll charged for Clearing Accounts (c) | Total (d) |
|---|---|---|---|---|
| 1 | Electric | | | |
| 2 | Operation | | | |
| 3 | Production | 416,112 | | |
| 4 | Transmission | 2,530,778 | | |
| 5 | Regional Market | | | |
| 6 | Distribution | 7,202,494 | | |
| 7 | Customer Accounts | 4,553,984 | | |
| 8 | Customer Service and Informational | 249,955 | | |
| 9 | Sales | 30,287 | | |
| 10 | Administrative and General | 3,534,691 | | |
| 11 | TOTAL Operation (Enter Total of lines 3 thru 10) | 18,518,301 | | |
| 12 | Maintenance | | | |
| 13 | Production | 358,358 | | |
| 14 | Transmission | 1,362,511 | | |
| 15 | Regional Market | | | |
| 16 | Distribution | 12,814,929 | | |
| 17 | Administrative and General | 76,236 | | |
| 18 | TOTAL Maintenance (Total of lines 13 thru 17) | 14,612,034 | | |
| 19 | Total Operation and Maintenance | | | |
| 20 | Production (Enter Total of lines 3 and 13) | 774,470 | | |
| 21 | Transmission (Enter Total of lines 4 and 14) | 3,893,289 | | |
| 22 | Regional Market (Enter Total of Lines 5 and 15) | | | |
| 23 | Distribution (Enter Total of lines 6 and 16) | 20,017,423 | | |
| 24 | Customer Accounts (Transcribe from line 7) | 4,553,984 | | |
| 25 | Customer Service and Informational (Transcribe from line 8) | 249,955 | | |
| 26 | Sales (Transcribe from line 9) | 30,287 | | |
| 27 | Administrative and General (Enter Total of lines 10 and 17) | 3,610,927 | | |
| 28 | TOTAL Oper. and Maint. (Total of lines 20 thru 27) | 33,130,335 | 11,183,074 | 44,313,409 |
| 29 | Gas | | | |
| 30 | Operation | | | |
| 31 | Production-Manufactured Gas | | | |
| 32 | Production-Nat. Gas (Including Expl. and Dev.) | | | |
| 33 | Other Gas Supply | 79,323 | | |
| 34 | Storage, LNG Terminaling and Processing | | | |
| 35 | Transmission | | | |
| 36 | Distribution | 12,786,787 | | |
| 37 | Customer Accounts | 5,039,315 | | |
| 38 | Customer Service and Informational | 206,167 | | |
| 39 | Sales | 24,981 | | |
| 40 | Administrative and General | 2,114,827 | | |
| 41 | TOTAL Operation (Enter Total of lines 31 thru 40) | 20,251,400 | | |
| 42 | Maintenance | | | |
| 43 | Production-Manufactured Gas | | | |
| 44 | Production-Natural Gas (Including Exploration and Development) | | | |
| 45 | Other Gas Supply | | | |
| 46 | Storage, LNG Terminaling and Processing | | | |
| 47 | Transmission | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## DISTRIBUTION OF SALARIES AND WAGES (Continued)

| Line No. | Classification<br>(a) | Direct Payroll Distribution<br>(b) | Allocation of Payroll charged for Clearing Accounts<br>(c) | Total<br>(d) |
|---|---|---|---|---|
| 48 | Distribution | 2,307,781 | | |
| 49 | Administrative and General | 56,927 | | |
| 50 | TOTAL Maint. (Enter Total of lines 43 thru 49) | 2,364,708 | | |
| 51 | Total Operation and Maintenance | | | |
| 52 | Production-Manufactured Gas (Enter Total of lines 31 and 43) | | | |
| 53 | Production-Natural Gas (Including Expl. and Dev.) (Total lines 32, | | | |
| 54 | Other Gas Supply (Enter Total of lines 33 and 45) | 79,323 | | |
| 55 | Storage, LNG Terminaling and Processing (Total of lines 31 thru | | | |
| 56 | Transmission (Lines 35 and 47) | | | |
| 57 | Distribution (Lines 36 and 48) | 15,094,568 | | |
| 58 | Customer Accounts (Line 37) | 5,039,315 | | |
| 59 | Customer Service and Informational (Line 38) | 206,167 | | |
| 60 | Sales (Line 39) | 24,981 | | |
| 61 | Administrative and General (Lines 40 and 49) | 2,171,754 | | |
| 62 | TOTAL Operation and Maint. (Total of lines 52 thru 61) | 22,616,108 | 7,634,020 | 30,250,128 |
| 63 | Other Utility Departments | | | |
| 64 | Operation and Maintenance | | | |
| 65 | TOTAL All Utility Dept. (Total of lines 28, 62, and 64) | 55,746,443 | 18,817,094 | 74,563,537 |
| 66 | Utility Plant | | | |
| 67 | Construction (By Utility Departments) | | | |
| 68 | Electric Plant | 11,390,976 | 3,845,000 | 15,235,976 |
| 69 | Gas Plant | 4,170,710 | 1,407,814 | 5,578,524 |
| 70 | Other (provide details in footnote): | | | |
| 71 | TOTAL Construction (Total of lines 68 thru 70) | 15,561,686 | 5,252,814 | 20,814,500 |
| 72 | Plant Removal (By Utility Departments) | | | |
| 73 | Electric Plant | 1,142,803 | 385,751 | 1,528,554 |
| 74 | Gas Plant | 852,282 | 287,686 | 1,139,968 |
| 75 | Other (provide details in footnote): | | | |
| 76 | TOTAL Plant Removal (Total of lines 73 thru 75) | 1,995,085 | 673,437 | 2,668,522 |
| 77 | Other Accounts (Specify, provide details in footnote): | | | |
| 78 | Billable Charges | 299,534 | 101,107 | 400,641 |
| 79 | Other Income and Deductions | 10,685 | 3,607 | 14,292 |
| 80 | | | | |
| 81 | | | | |
| 82 | | | | |
| 83 | | | | |
| 84 | | | | |
| 85 | | | | |
| 86 | | | | |
| 87 | | | | |
| 88 | | | | |
| 89 | | | | |
| 90 | | | | |
| 91 | | | | |
| 92 | | | | |
| 93 | | | | |
| 94 | | | | |
| 95 | TOTAL Other Accounts | 310,219 | 104,714 | 414,933 |
| 96 | TOTAL SALARIES AND WAGES | 73,613,433 | 24,848,059 | 98,461,492 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Common Utility Plant

| Acct No. Item | Beginning Balance | Additions | Retirements | Trans/Adj. | Ending Balance |
|---|---|---|---|---|---|
| 301 Organization | 0 | 0 | 0 | 0 | 0 |
| 302 Franchises & Consents | 0 | 0 | 0 | 0 | 0 |
| 303 Miscellaneous Intangible Plant | 114,773,442 | 6,017,298 | 0 | 0 | 120,790,740 |
| Total Intangible Plant | 114,773,442 | 6,017,298 | 0 | 0 | 120,790,740 |
| 389 Land & Land Rights | 2,370,825 | 0 | 0 | 0 | 2,370,825 |
| 390 Structures & Improvements | 66,882,610 | 4,681,103 | (3,779) | | 71,559,934 |
| 391 Office Furniture & Equipment | 17,452,155 | 3,787,932 | 0 | 0 | 21,240,087 |
| 392 Transportation Equipment | 44,476,366 | 5,696,280 | (3,524,040) | 0 | 46,648,606 |
| 393 Stores Equipment | 231,970 | 0 | 0 | 0 | 231,970 |
| 394 Tools, Shop & Garage | 6,511,391 | 30,513 | 0 | 0 | 6,541,904 |
| 395 Laboratory Equipment | 2,455,348 | 0 | 0 | 0 | 2,455,348 |
| 396 Power Operated Equipment | 4,365,536 | 0 | (70,106) | 0 | 4,295,430 |
| 397 Communication Equipment | 47,951,068 | 10,161,623 | 0 | (394,563) | 57,718,128 |
| 398 Misc. Equipment | 34,624,045 | 4,799,998 | 0 | 0 | 39,424,043 |
| 399 Other Tangible Property | 56,012 | 0 | 0 | 0 | 56,012 |
| Total General Plant | 227,377,326 | 29,157,449 | (3,597,925) | (394,563) | 252,542,287 |
| Total Common Utility Plant | 342,150,768 | 35,174,747 | (3,597,925) | (394,563) | 373,333,027 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Reserve for Depreciation and Amortization of Common Utility Plant

| | |
|---|---|
| Balance at January 1, 2019 | 175,195,735 |
| Depreciation and Amortization Provisions for year charged to: | |
| Depreciation - Electric | 7,810,114 |
| Depreciation - Gas | 3,133,642 |
| Amortization - Electric | 2,822,979 |
| Amortization - Gas | 1,127,793 |
| Transportation - Clearing Account | 3,208,585 |
| Other Clearing Accounts | 498,929 |
| Total Depreciation and Amortization Provisions | 18,602,042 |
| Book Cost of Plant Retired | (3,597,925) |
| Cost of Removal | (98,484) |
| Salvage (Credit) 0 | |
| Net Charges for Plant Retired | (3,696,409) |
| Transfer to other business areas | (2,185) |
| Retirement difference | 972,375 |
| Change in cost of removal not assigned | (29,359) |
| Other adjustments | (20,047) |
| Total other adjustments | 920,784 |
| Balance at December 31, 2019 | 191,022,152 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

| Line No. | Description of Item(s)<br>(a) | Balance at End of Quarter 1<br>(b) | Balance at End of Quarter 2<br>(c) | Balance at End of Quarter 3<br>(d) | Balance at End of Year<br>(e) |
|---|---|---|---|---|---|
| 1 | Energy | | | | |
| 2 | Net Purchases (Account 555) | 24,061,470 | 10,803,220 | 20,512,874 | 70,137,060 |
| 3 | Net Sales (Account 447) | ( 1,546,816) | ( 1,217,359) | ( 879,363) | ( 4,793,670) |
| 4 | Transmission Rights | | | | |
| 5 | Ancillary Services | 1,719,812 | 2,145,507 | 2,464,892 | 8,206,826 |
| 6 | Other Items (list separately) | | | | |
| 7 | Virtual Transactions | | | | |
| 8 | Thunderstorm Alert | 2,871 | ( 15,589) | ( 219,396) | ( 262,279) |
| 9 | Bad Debt | 3,517 | 592 | | 4,109 |
| 10 | Station 80 | ( 83,141) | ( 83,155) | ( 77,715) | ( 319,007) |
| 11 | Demand Charges | 423,811 | 1,321,856 | 1,672,029 | 3,966,639 |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
| 45 | | | | | |
| 46 | TOTAL | 24,581,524 | 12,955,072 | 23,473,321 | 76,939,678 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

| | | Amount Purchased for the Year | | | Amount Sold for the Year | | |
|---|---|---|---|---|---|---|---|
| | | Usage - Related Billing Determinant | | | Usage - Related Billing Determinant | | |
| Line No. | Type of Ancillary Service<br>(a) | Number of Units<br>(b) | Unit of Measure<br>(c) | Dollars<br>(d) | Number of Units<br>(e) | Unit of Measure<br>(f) | Dollars<br>(g) |
| 1 | Scheduling, System Control and Dispatch | | | 1,444,159 | | | |
| 2 | Reactive Supply and Voltage | | | 1,224,386 | | | |
| 3 | Regulation and Frequency Response | | | 443,915 | | | |
| 4 | Energy Imbalance | | | | | | |
| 5 | Operating Reserve - Spinning | | | 1,714,598 | | | |
| 6 | Operating Reserve - Supplement | | | | | | |
| 7 | Other | | | 25,697 | | | |
| 8 | Total (Lines 1 thru 7) | | | 4,852,755 | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

| Line No. | Month<br>(a) | Monthly Peak MW - Total<br>(b) | Day of Monthly Peak<br>(c) | Hour of Monthly Peak<br>(d) | Firm Network Service for Self<br>(e) | Firm Network Service for Others<br>(f) | Long-Term Firm Point-to-point Reservations<br>(g) | Other Long-Term Firm Service<br>(h) | Short-Term Firm Point-to-point Reservation<br>(i) | Other Service<br>(j) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | January | 1,186 | 30 | 19 | 1,186 | | | | | |
| 2 | February | 1,075 | 1 | 9 | 1,075 | | | | | |
| 3 | March | 1,080 | 6 | 19 | 1,080 | | | | | |
| 4 | Total for Quarter 1 | | | | 3,341 | | | | | |
| 5 | April | 921 | 1 | 21 | 921 | | | | | |
| 6 | May | 913 | 23 | 16 | 913 | | | | | |
| 7 | June | 1,277 | 28 | 16 | 1,277 | | | | | |
| 8 | Total for Quarter 2 | | | | 3,111 | | | | | |
| 9 | July | 1,507 | 19 | 14 | 1,507 | | | | | |
| 10 | August | 1,374 | 20 | 18 | 1,374 | | | | | |
| 11 | September | 1,234 | 11 | 17 | 1,234 | | | | | |
| 12 | Total for Quarter 3 | | | | 4,115 | | | | | |
| 13 | October | 1,218 | 1 | 16 | 1,218 | | | | | |
| 14 | November | 1,051 | 12 | 18 | 1,051 | | | | | |
| 15 | December | 1,123 | 18 | 19 | 1,123 | | | | | |
| 16 | Total for Quarter 4 | | | | 3,392 | | | | | |
| 17 | Total Year to Date/Year | | | | 13,959 | | | | | |
| | | | | | | | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:

| Line No. | Month<br>(a) | Monthly Peak MW - Total<br>(b) | Day of Monthly Peak<br>(c) | Hour of Monthly Peak<br>(d) | Imports into ISO/RTO<br>(e) | Exports from ISO/RTO<br>(f) | Through and Out Service<br>(g) | Network Service Usage<br>(h) | Point-to-Point Service Usage<br>(i) | Total Usage<br>(j) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | January | | | | | | | | | |
| 2 | February | | | | | | | | | |
| 3 | March | | | | | | | | | |
| 4 | Total for Quarter 1 | | | | | | | | | |
| 5 | April | | | | | | | | | |
| 6 | May | | | | | | | | | |
| 7 | June | | | | | | | | | |
| 8 | Total for Quarter 2 | | | | | | | | | |
| 9 | July | | | | | | | | | |
| 10 | August | | | | | | | | | |
| 11 | September | | | | | | | | | |
| 12 | Total for Quarter 3 | | | | | | | | | |
| 13 | October | | | | | | | | | |
| 14 | November | | | | | | | | | |
| 15 | December | | | | | | | | | |
| 16 | Total for Quarter 4 | | | | | | | | | |
| 17 | Total Year to Date/Year | | | | | | | | | |
| | | | | | | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

| Line No. | Item (a) | MegaWatt Hours (b) | Line No. | Item (a) | MegaWatt Hours (b) |
|---|---|---|---|---|---|
| 1 | SOURCES OF ENERGY | | 21 | DISPOSITION OF ENERGY | |
| 2 | Generation (Excluding Station Use): | | 22 | Sales to Ultimate Consumers (Including Interdepartmental Sales) | 7,070,605 |
| 3 | Steam | | | | |
| 4 | Nuclear | | 23 | Requirements Sales for Resale (See instruction 4, page 311.) | 1,322 |
| 5 | Hydro-Conventional | 27,256 | | | |
| 6 | Hydro-Pumped Storage | | 24 | Non-Requirements Sales for Resale (See instruction 4, page 311.) | 218,486 |
| 7 | Other | 4,238,931 | | | |
| 8 | Less Energy for Pumping | | 25 | Energy Furnished Without Charge | |
| 9 | Net Generation (Enter Total of lines 3 through 8) | 4,266,187 | 26 | Energy Used by the Company (Electric Dept Only, Excluding Station Use) | 14,650 |
| 10 | Purchases | 3,307,885 | 27 | Total Energy Losses | 271,944 |
| 11 | Power Exchanges: | | 28 | TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20) | 7,577,007 |
| 12 | Received | 521 | | | |
| 13 | Delivered | | | | |
| 14 | Net Exchanges (Line 12 minus line 13) | 521 | | | |
| 15 | Transmission For Other (Wheeling) | | | | |
| 16 | Received | 80,544 | | | |
| 17 | Delivered | 78,130 | | | |
| 18 | Net Transmission for Other (Line 16 minus line 17) | 2,414 | | | |
| 19 | Transmission By Others Losses | | | | |
| 20 | TOTAL (Enter Total of lines 9, 10, 14, 18 and 19) | 7,577,007 | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

## MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

| Line No. | Month<br>(a) | Total Monthly Energy<br>(b) | Monthly Non-Requirments Sales for Resale & Associated Losses<br>(c) | MONTHLY PEAK<br>Megawatts (See Instr. 4)<br>(d) | MONTHLY PEAK<br>Day of Month<br>(e) | MONTHLY PEAK<br>Hour<br>(f) |
|---|---|---|---|---|---|---|
| 29 | January | 673,026 | 10,988 | 1,186 | 30 | 19 |
| 30 | February | 594,882 | 18,294 | 1,075 | 1 | 9 |
| 31 | March | 629,588 | 21,491 | 1,080 | 6 | 19 |
| 32 | April | 540,447 | 21,274 | 921 | 1 | 21 |
| 33 | May | 584,997 | 23,002 | 913 | 23 | 16 |
| 34 | June | 605,550 | 20,288 | 1,277 | 28 | 16 |
| 35 | July | 793,333 | 13,948 | 1,507 | 19 | 14 |
| 36 | August | 716,567 | 16,903 | 1,374 | 20 | 18 |
| 37 | September | 613,567 | 15,245 | 1,234 | 11 | 17 |
| 38 | October | 584,817 | 19,274 | 1,218 | 1 | 16 |
| 39 | November | 592,055 | 17,226 | 1,051 | 12 | 18 |
| 40 | December | 648,178 | 20,553 | 1,123 | 18 | 19 |
| 41 | TOTAL | 7,577,007 | 218,486 | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

| Line No. | Item (a) | Plant Name: (b) | | | Plant Name: (c) | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 1 | Kind of Plant (Internal Comb, Gas Turb, Nuclear | | | | | | |
| 2 | Type of Constr (Conventional, Outdoor, Boiler, etc) | | | | | | |
| 3 | Year Originally Constructed | | | | | | |
| 4 | Year Last Unit was Installed | | | | | | |
| 5 | Total Installed Cap (Max Gen Name Plate Ratings-MW) | 0.00 | | | 0.00 | | |
| 6 | Net Peak Demand on Plant - MW (60 minutes) | 0 | | | 0 | | |
| 7 | Plant Hours Connected to Load | 0 | | | 0 | | |
| 8 | Net Continuous Plant Capability (Megawatts) | 0 | | | 0 | | |
| 9 | When Not Limited by Condenser Water | 0 | | | 0 | | |
| 10 | When Limited by Condenser Water | 0 | | | 0 | | |
| 11 | Average Number of Employees | 0 | | | 0 | | |
| 12 | Net Generation, Exclusive of Plant Use - KWh | 0 | | | 0 | | |
| 13 | Cost of Plant: Land and Land Rights | 0 | | | 0 | | |
| 14 | Structures and Improvements | 0 | | | 0 | | |
| 15 | Equipment Costs | 0 | | | 0 | | |
| 16 | Asset Retirement Costs | 0 | | | 0 | | |
| 17 | Total Cost | 0 | | | 0 | | |
| 18 | Cost per KW of Installed Capacity (line 17/5) Including | 0 | | | 0 | | |
| 19 | Production Expenses: Oper, Supv, & Engr | 0 | | | 0 | | |
| 20 | Fuel | 0 | | | 0 | | |
| 21 | Coolants and Water (Nuclear Plants Only) | 0 | | | 0 | | |
| 22 | Steam Expenses | 0 | | | 0 | | |
| 23 | Steam From Other Sources | 0 | | | 0 | | |
| 24 | Steam Transferred (Cr) | 0 | | | 0 | | |
| 25 | Electric Expenses | 0 | | | 0 | | |
| 26 | Misc Steam (or Nuclear) Power Expenses | 0 | | | 0 | | |
| 27 | Rents | 0 | | | 0 | | |
| 28 | Allowances | 0 | | | 0 | | |
| 29 | Maintenance Supervision and Engineering | 0 | | | 0 | | |
| 30 | Maintenance of Structures | 0 | | | 0 | | |
| 31 | Maintenance of Boiler (or reactor) Plant | 0 | | | 0 | | |
| 32 | Maintenance of Electric Plant | 0 | | | 0 | | |
| 33 | Maintenance of Misc Steam (or Nuclear) Plant | 0 | | | 0 | | |
| 34 | Total Production Expenses | 0 | | | 0 | | |
| 35 | Expenses per Net KWh | 0.0000 | | | 0.0000 | | |
| 36 | Fuel: Kind (Coal, Gas, Oil, or Nuclear) | | | | | | |
| 37 | Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate) | | | | | | |
| 38 | Quantity (Units) of Fuel Burned | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | Avg Heat Cont - Fuel Burned (btu/indicate if nuclear) | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | Avg Cost of Fuel/unit, as Delvd f.o.b. during year | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 41 | Average Cost of Fuel per Unit Burned | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 42 | Average Cost of Fuel Burned per Million BTU | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 43 | Average Cost of Fuel Burned per KWh Net Gen | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 44 | Average BTU per KWh Net Generation | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) *(Continued)*

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

| Plant Name: (d) | Plant Name: (e) | Plant Name: (f) | Line No. |
|---|---|---|---|
| | | | |
| | | | 1 |
| | | | 2 |
| | | | 3 |
| | | | 4 |
| 0.00 | 0.00 | 0.00 | 5 |
| 0 | 0 | 0 | 6 |
| 0 | 0 | 0 | 7 |
| 0 | 0 | 0 | 8 |
| 0 | 0 | 0 | 9 |
| 0 | 0 | 0 | 10 |
| 0 | 0 | 0 | 11 |
| 0 | 0 | 0 | 12 |
| 0 | 0 | 0 | 13 |
| 0 | 0 | 0 | 14 |
| 0 | 0 | 0 | 15 |
| 0 | 0 | 0 | 16 |
| 0 | 0 | 0 | 17 |
| 0 | 0 | 0 | 18 |
| 0 | 0 | 0 | 19 |
| 0 | 0 | 0 | 20 |
| 0 | 0 | 0 | 21 |
| 0 | 0 | 0 | 22 |
| 0 | 0 | 0 | 23 |
| 0 | 0 | 0 | 24 |
| 0 | 0 | 0 | 25 |
| 0 | 0 | 0 | 26 |
| 0 | 0 | 0 | 27 |
| 0 | 0 | 0 | 28 |
| 0 | 0 | 0 | 29 |
| 0 | 0 | 0 | 30 |
| 0 | 0 | 0 | 31 |
| 0 | 0 | 0 | 32 |
| 0 | 0 | 0 | 33 |
| 0 | 0 | 0 | 34 |
| 0.0000 | 0.0000 | 0.0000 | 35 |

| | | | | | | | | | Line No. |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 36 |
| | | | | | | | | | 37 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39 |
| 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 40 |
| 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 41 |
| 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 42 |
| 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 43 |
| 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 44 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

| Line No. | Item<br>(a) | FERC Licensed Project No. 2583<br>Plant Name: Station 5<br>(b) | FERC Licensed Project No. 0<br>Plant Name:<br>(c) |
|---|---|---|---|
| | | | |
| | | | |
| 1 | Kind of Plant (Run-of-River or Storage) | Run-of-River | |
| 2 | Plant Construction type (Conventional or Outdoor) | Conventional | |
| 3 | Year Originally Constructed | 1917 | |
| 4 | Year Last Unit was Installed | 1927 | |
| 5 | Total installed cap (Gen name plate Rating in MW) | 46.00 | 0.00 |
| 6 | Net Peak Demand on Plant-Megawatts (60 minutes) | 23 | 0 |
| 7 | Plant Hours Connect to Load | 5,145 | 0 |
| 8 | Net Plant Capability (in megawatts) | | |
| 9 | (a) Under Most Favorable Oper Conditions | 0 | 0 |
| 10 | (b) Under the Most Adverse Oper Conditions | 0 | 0 |
| 11 | Average Number of Employees | 0 | 0 |
| 12 | Net Generation, Exclusive of Plant Use - Kwh | 437,385 | 0 |
| 13 | Cost of Plant | | |
| 14 | Land and Land Rights | 348,451 | 0 |
| 15 | Structures and Improvements | 13,636,530 | 0 |
| 16 | Reservoirs, Dams, and Waterways | 79,303,798 | 0 |
| 17 | Equipment Costs | 19,665,175 | 0 |
| 18 | Roads, Railroads, and Bridges | 1,727,888 | 0 |
| 19 | Asset Retirement Costs | 0 | 0 |
| 20 | TOTAL cost (Total of 14 thru 19) | 114,681,842 | 0 |
| 21 | Cost per KW of Installed Capacity (line 20 / 5) | 2,493.0835 | 0.0000 |
| 22 | Production Expenses | | |
| 23 | Operation Supervision and Engineering | 76,264 | 0 |
| 24 | Water for Power | 7,540 | 0 |
| 25 | Hydraulic Expenses | 4,529 | 0 |
| 26 | Electric Expenses | 0 | 0 |
| 27 | Misc Hydraulic Power Generation Expenses | 112,440 | 0 |
| 28 | Rents | 0 | 0 |
| 29 | Maintenance Supervision and Engineering | 77,455 | 0 |
| 30 | Maintenance of Structures | 38,743 | 0 |
| 31 | Maintenance of Reservoirs, Dams, and Waterways | 28,929 | 0 |
| 32 | Maintenance of Electric Plant | 158,694 | 0 |
| 33 | Maintenance of Misc Hydraulic Plant | 22,398 | 0 |
| 34 | Total Production Expenses (total 23 thru 33) | 526,992 | 0 |
| 35 | Expenses per net KWh | 1.2049 | 0.0000 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

| FERC Licensed Project No. 0<br>Plant Name:<br>(d) | FERC Licensed Project No. 0<br>Plant Name:<br>(e) | FERC Licensed Project No. 0<br>Plant Name:<br>(f) | Line No. |
|---|---|---|---|
| | | | |
| | | | |
| | | | 1 |
| | | | 2 |
| | | | 3 |
| | | | 4 |
| 0.00 | 0.00 | 0.00 | 5 |
| 0 | 0 | 0 | 6 |
| 0 | 0 | 0 | 7 |
| | | | 8 |
| 0 | 0 | 0 | 9 |
| 0 | 0 | 0 | 10 |
| 0 | 0 | 0 | 11 |
| 0 | 0 | 0 | 12 |
| | | | 13 |
| 0 | 0 | 0 | 14 |
| 0 | 0 | 0 | 15 |
| 0 | 0 | 0 | 16 |
| 0 | 0 | 0 | 17 |
| 0 | 0 | 0 | 18 |
| 0 | 0 | 0 | 19 |
| 0 | 0 | 0 | 20 |
| 0.0000 | 0.0000 | 0.0000 | 21 |
| | | | 22 |
| 0 | 0 | 0 | 23 |
| 0 | 0 | 0 | 24 |
| 0 | 0 | 0 | 25 |
| 0 | 0 | 0 | 26 |
| 0 | 0 | 0 | 27 |
| 0 | 0 | 0 | 28 |
| 0 | 0 | 0 | 29 |
| 0 | 0 | 0 | 30 |
| 0 | 0 | 0 | 31 |
| 0 | 0 | 0 | 32 |
| 0 | 0 | 0 | 33 |
| 0 | 0 | 0 | 34 |
| 0.0000 | 0.0000 | 0.0000 | 35 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

| Line No. | Item (a) | FERC Licensed Project No. Plant Name: (b) |
|---|---|---|
| | | |
| | | |
| 1 | Type of Plant Construction (Conventional or Outdoor) | |
| 2 | Year Originally Constructed | |
| 3 | Year Last Unit was Installed | |
| 4 | Total installed cap (Gen name plate Rating in MW) | |
| 5 | Net Peak Demaind on Plant-Megawatts (60 minutes) | |
| 6 | Plant Hours Connect to Load While Generating | |
| 7 | Net Plant Capability (in megawatts) | |
| 8 | Average Number of Employees | |
| 9 | Generation, Exclusive of Plant Use - Kwh | |
| 10 | Energy Used for Pumping | |
| 11 | Net Output for Load (line 9 - line 10) - Kwh | |
| 12 | Cost of Plant | |
| 13 | Land and Land Rights | |
| 14 | Structures and Improvements | |
| 15 | Reservoirs, Dams, and Waterways | |
| 16 | Water Wheels, Turbines, and Generators | |
| 17 | Accessory Electric Equipment | |
| 18 | Miscellaneous Powerplant Equipment | |
| 19 | Roads, Railroads, and Bridges | |
| 20 | Asset Retirement Costs | |
| 21 | Total cost (total 13 thru 20) | |
| 22 | Cost per KW of installed cap (line 21 / 4) | |
| 23 | Production Expenses | |
| 24 | Operation Supervision and Engineering | |
| 25 | Water for Power | |
| 26 | Pumped Storage Expenses | |
| 27 | Electric Expenses | |
| 28 | Misc Pumped Storage Power generation Expenses | |
| 29 | Rents | |
| 30 | Maintenance Supervision and Engineering | |
| 31 | Maintenance of Structures | |
| 32 | Maintenance of Reservoirs, Dams, and Waterways | |
| 33 | Maintenance of Electric Plant | |
| 34 | Maintenance of Misc Pumped Storage Plant | |
| 35 | Production Exp Before Pumping Exp (24 thru 34) | |
| 36 | Pumping Expenses | |
| 37 | Total Production Exp (total 35 and 36) | |
| 38 | Expenses per KWh (line 37 / 9) | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.
7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

| FERC Licensed Project No.<br>Plant Name:<br>(c) | FERC Licensed Project No.<br>Plant Name:<br>(d) | FERC Licensed Project No.<br>Plant Name:<br>(e) | Line No. |
|---|---|---|---|
| | | | |
| | | | |
| | | | 1 |
| | | | 2 |
| | | | 3 |
| | | | 4 |
| | | | 5 |
| | | | 6 |
| | | | 7 |
| | | | 8 |
| | | | 9 |
| | | | 10 |
| | | | 11 |
| | | | 12 |
| | | | 13 |
| | | | 14 |
| | | | 15 |
| | | | 16 |
| | | | 17 |
| | | | 18 |
| | | | 19 |
| | | | 20 |
| | | | 21 |
| | | | 22 |
| | | | 23 |
| | | | 24 |
| | | | 25 |
| | | | 26 |
| | | | 27 |
| | | | 28 |
| | | | 29 |
| | | | 30 |
| | | | 31 |
| | | | 32 |
| | | | 33 |
| | | | 34 |
| | | | 35 |
| | | | 36 |
| | | | 37 |
| | | | 38 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

| Line No. | Name of Plant (a) | Year Orig. Const. (b) | Installed Capacity Name Plate Rating (In MW) (c) | Net Peak Demand MW (60 min.) (d) | Net Generation Excluding Plant Use (e) | Cost of Plant (f) |
|---|---|---|---|---|---|---|
| 1 | Rochester Station 2 (A) | 1960 | 8.50 | 8.5 | 18,506 | 16,404,222 |
| 2 | Rochester Station 26 (B) | 1952 | 3.00 | 2.8 | 8,310 | 9,591,688 |
| 3 | | | | | | |
| 4 | Property 6 Riverbed Land | | | | | 122,618 |
| 5 | Property 30 Riverbed Land | | | | | 28,196 |
| 6 | Property 34 Riverbed Land | | | | | 250,000 |
| 7 | Property 23 Riverbed Structure | | | | | 17,524 |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | | | | | | |
| 45 | | | | | | |
| 46 | | | | | | |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

| Plant Cost (Incl Asset Retire. Costs) Per MW<br>(g) | Operation Exc'l. Fuel<br>(h) | Production Expenses<br>Fuel<br>(i) | Production Expenses<br>Maintenance<br>(j) | Kind of Fuel<br>(k) | Fuel Costs (in cents (per Million Btu)<br>(l) | Line No. |
|---|---|---|---|---|---|---|
| 1,930,030 | 163,651 | | 102,460 | Hydro | | 1 |
| 3,204,621 | 253,797 | | 105,223 | Hydro | | 2 |
| | | | | | | 3 |
| | | | | | | 4 |
| | | | | | | 5 |
| | | | | | | 6 |
| | | | | | | 7 |
| | | | | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| | | | | | | 12 |
| | | | | | | 13 |
| | | | | | | 14 |
| | | | | | | 15 |
| | | | | | | 16 |
| | | | | | | 17 |
| | | | | | | 18 |
| | | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| | | | | | | 24 |
| | | | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
| | | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | | | 33 |
| | | | | | | 34 |
| | | | | | | 35 |
| | | | | | | 36 |
| | | | | | | 37 |
| | | | | | | 38 |
| | | | | | | 39 |
| | | | | | | 40 |
| | | | | | | 41 |
| | | | | | | 42 |
| | | | | | | 43 |
| | | | | | | 44 |
| | | | | | | 45 |
| | | | | | | 46 |

***Schedule Page: 410 Line No.: 15 Column: a***

Additional expenses attributed to Hydro consisted of:

| | |
|---|---|
| General Operational Supervision of All Facilities | 573,881 |
| Training | 712 |
| Environmental Activities | 863 |
| Office space rentals | 1,660 |
| Non-Specific Storm Work | 24,373 |
| Former Station 160 - Maintaining Facilities, Grounds and Dams | 24,443 |
| Former Station 170 - Maintaining Facilities, Grounds and Dams | 26,567 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

| Line No. | DESIGNATION From (a) | DESIGNATION To (b) | VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase) Operating (c) | VOLTAGE (KV) Designed (d) | Type of Supporting Structure (e) | LENGTH (Pole miles) (In the case of underground lines report circuit miles) On Structure of Line Designated (f) | LENGTH On Structures of Another Line (g) | Number Of Circuits (h) |
|---|---|---|---|---|---|---|---|---|
| 1 | RG&E System | Overhead 115KV | 115.00 | 115.00 | | 246.00 | | 31 |
| 2 | | Underground 115KV | 115.00 | 115.00 | | 27.00 | | 9 |
| 3 | | Overhead 34.5KV | 34.50 | 34.50 | | 531.00 | | 61 |
| 4 | | Underground 34.5KV | 34.50 | 34.50 | | 182.00 | | 69 |
| 5 | | Overhead 11KV | 11.00 | 11.00 | | 2.00 | | 1 |
| 6 | | Underground 11KV | 11.00 | 11.00 | | 106.00 | | 54 |
| 7 | | | | | | | | |
| 8 | | | | | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | | | | | | | | |
| 16 | | | | | | | | |
| 17 | | | | | | | | |
| 18 | | | | | | | | |
| 19 | | | | | | | | |
| 20 | | | | | | | | |
| 21 | | | | | | | | |
| 22 | | | | | | | | |
| 23 | | | | | | | | |
| 24 | | | | | | | | |
| 25 | | | | | | | | |
| 26 | | | | | | | | |
| 27 | | | | | | | | |
| 28 | | | | | | | | |
| 29 | | | | | | | | |
| 30 | | | | | | | | |
| 31 | | | | | | | | |
| 32 | | | | | | | | |
| 33 | | | | | | | | |
| 34 | | | | | | | | |
| 35 | | | | | | | | |
| 36 | | | | | TOTAL | 1,094.00 | | 225 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

| Size of Conductor and Material (i) | COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way) Land (j) | Construction and Other Costs (k) | Total Cost (l) | EXPENSES, EXCEPT DEPRECIATION AND TAXES Operation Expenses (m) | Maintenance Expenses (n) | Rents (o) | Total Expenses (p) | Line No. |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | 1 |
| | | | | | | | | 2 |
| | | | | | | | | 3 |
| | | | | | | | | 4 |
| | | | | | | | | 5 |
| | | | | | | | | 6 |
| | | | | | | | | 7 |
| | | | | | | | | 8 |
| | | | | | | | | 9 |
| | | | | | | | | 10 |
| | | | | | | | | 11 |
| | | | | | | | | 12 |
| | | | | | | | | 13 |
| | | | | | | | | 14 |
| | | | | | | | | 15 |
| | | | | | | | | 16 |
| | | | | | | | | 17 |
| | | | | | | | | 18 |
| | | | | | | | | 19 |
| | | | | | | | | 20 |
| | | | | | | | | 21 |
| | | | | | | | | 22 |
| | | | | | | | | 23 |
| | | | | | | | | 24 |
| | | | | | | | | 25 |
| | | | | | | | | 26 |
| | | | | | | | | 27 |
| | | | | | | | | 28 |
| | | | | | | | | 29 |
| | | | | | | | | 30 |
| | | | | | | | | 31 |
| | 14,865,446 | 366,531,624 | 381,397,070 | | | | | 32 |
| | | | | | | | | 33 |
| | | | | | | | | 34 |
| | | | | | | | | 35 |
| | 14,865,446 | 366,531,624 | 381,397,070 | | | | | 36 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of competed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

| Line No. | LINE DESIGNATION | | Line Length in Miles | SUPPORTING STRUCTURE | | CIRCUITS PER STRUCTURE | |
|---|---|---|---|---|---|---|---|
| | From<br>(a) | To<br>(b) | (c) | Type<br>(d) | Average Number per Miles<br>(e) | Present<br>(f) | Ultimate<br>(g) |
| 1 | No lines to report for 2019 | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |
| 17 | | | | | | | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | | | | | | |
| 28 | | | | | | | |
| 29 | | | | | | | |
| 30 | | | | | | | |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | | | | | | | |
| 36 | | | | | | | |
| 37 | | | | | | | |
| 38 | | | | | | | |
| 39 | | | | | | | |
| 40 | | | | | | | |
| 41 | | | | | | | |
| 42 | | | | | | | |
| 43 | | | | | | | |
| 44 | TOTAL | | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

| CONDUCTORS | | | Voltage KV (Operating) | LINE COST | | | | | Line No. |
|---|---|---|---|---|---|---|---|---|---|
| Size (h) | Specification (i) | Configuration and Spacing (j) | (k) | Land and Land Rights (l) | Poles, Towers and Fixtures (m) | Conductors and Devices (n) | Asset Retire. Costs (o) | Total (p) | |
| | | | | | | | | | 1 |
| | | | | | | | | | 2 |
| | | | | | | | | | 3 |
| | | | | | | | | | 4 |
| | | | | | | | | | 5 |
| | | | | | | | | | 6 |
| | | | | | | | | | 7 |
| | | | | | | | | | 8 |
| | | | | | | | | | 9 |
| | | | | | | | | | 10 |
| | | | | | | | | | 11 |
| | | | | | | | | | 12 |
| | | | | | | | | | 13 |
| | | | | | | | | | 14 |
| | | | | | | | | | 15 |
| | | | | | | | | | 16 |
| | | | | | | | | | 17 |
| | | | | | | | | | 18 |
| | | | | | | | | | 19 |
| | | | | | | | | | 20 |
| | | | | | | | | | 21 |
| | | | | | | | | | 22 |
| | | | | | | | | | 23 |
| | | | | | | | | | 24 |
| | | | | | | | | | 25 |
| | | | | | | | | | 26 |
| | | | | | | | | | 27 |
| | | | | | | | | | 28 |
| | | | | | | | | | 29 |
| | | | | | | | | | 30 |
| | | | | | | | | | 31 |
| | | | | | | | | | 32 |
| | | | | | | | | | 33 |
| | | | | | | | | | 34 |
| | | | | | | | | | 35 |
| | | | | | | | | | 36 |
| | | | | | | | | | 37 |
| | | | | | | | | | 38 |
| | | | | | | | | | 39 |
| | | | | | | | | | 40 |
| | | | | | | | | | 41 |
| | | | | | | | | | 42 |
| | | | | | | | | | 43 |
| | | | | | | | | | 44 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation (a) | Character of Substation (b) | VOLTAGE (In MVa) Primary (c) | Secondary (d) | Tertiary (e) |
|---|---|---|---|---|---|
| 1 | 1 Rochester, NY | Unattended D | 34.50 | 4.00 | |
| 2 | 1 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 3 | 6 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 4 | 6 Rochester, NY | Unattended D | 11.00 | 11.50 | |
| 5 | 7 Greece, NY | Unattended D | 34.50 | 11.00 | |
| 6 | 7 Greece, NY | Unattended T | 115.00 | 34.50 | |
| 7 | 14 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 8 | 15 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 9 | 16 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 10 | 17 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 11 | 18 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 12 | 18 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 13 | 19 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 14 | 22 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 15 | 23 Rochester, NY | Unattended D | 115.00 | 11.00 | |
| 16 | 26 Rochester, NY | Unattended D | 34.50 | 11.50 | |
| 17 | 29 Rochester, NY | Unattended D | 34.50 | 4.00 | |
| 18 | 33 Rochester, NY | Unattended T | 115.00 | 11.00 | |
| 19 | 33 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 20 | 33 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 21 | 34 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 22 | 35 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 23 | 36 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 24 | 36 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 25 | 37 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 26 | 37 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 27 | 37 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 28 | 37 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 29 | 38 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 30 | 38 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 31 | 39 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 32 | 40 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 33 | 41 Brighton, NY | Unattended D | 11.00 | 4.16 | |
| 34 | 41 Brighton, NY | Unattended D | 34.50 | 4.16 | |
| 35 | 42 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 36 | 42 Rochester, NY | Unattended D | 115.00 | 11.50 | |
| 37 | 42 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 38 | 43 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 39 | 45 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 40 | 46 Rochester, NY | Unattended D | 34.50 | 4.16 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation (a) | Character of Substation (b) | VOLTAGE (In MVa) Primary (c) | Secondary (d) | Tertiary (e) |
|---|---|---|---|---|---|
| 1 | 46 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 2 | 47 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 3 | 48 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 4 | 48 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 5 | 48 Rochester, NY | Unattended D | 115.00 | 11.00 | |
| 6 | 49 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 7 | 50 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 8 | 51 Rochester, NY | Unattended D | 11.00 | 4.16 | |
| 9 | 53 Pittsford, NY | Unattended D | 34.50 | 4.16 | |
| 10 | 55 Webster, NY | Unattended D | 34.50 | 12.00 | |
| 11 | 56 Pittsford, NY | Unattended D | 115.00 | 12.00 | |
| 12 | 56 Pittsford, NY | Unattended T | 115.00 | 34.50 | |
| 13 | 58 Penfield, NY | Unattended D | 34.50 | 4.16 | |
| 14 | 60 Ontario, NY | Unattended D | 34.50 | 4.16 | |
| 15 | 62 E. Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 16 | 63 Gates, NY | Unattended D | 34.50 | 4.16 | |
| 17 | 64 Gates, NY | Unattended D | 34.50 | 4.16 | |
| 18 | 65 Greece, NY | Unattended D | 34.50 | 4.16 | |
| 19 | 66 Brighton, NY | Unattended D | 34.50 | 4.16 | |
| 20 | 67 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 21 | 67 Rochester, NY | Unattended D | 115.00 | 12.47 | |
| 22 | 67 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 23 | 68 Irondequoit, NY | Unattended D | 11.00 | 4.16 | |
| 24 | 69 Greece, NY | Unattended D | 115.00 | 12.47 | |
| 25 | 70 Greece, NY | Unattended D | 115.00 | 12.47 | |
| 26 | 71 Hilton, NY | Unattended D | 115.00 | 12.47 | |
| 27 | 72 Greece, NY | Unattended D | 11.00 | 4.16 | |
| 28 | 73 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 29 | 74 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 30 | 75 Henrietta, NY | Unattended D | 34.50 | 4.16 | |
| 31 | 76 Pittsford, NY | Unattended D | 34.50 | 4.16 | |
| 32 | 80 Henrietta, NY | Unattended T | 115.00 | 34.50 | |
| 33 | 80 Henrietta, NY | Unattended T | 345.00 | 115.00 | |
| 34 | 81 Irondequoit, NY | Unattended D | 34.50 | 4.16 | |
| 35 | 82 Brighton, NY | Unattended D | 115.00 | 12.47 | |
| 36 | 82 Brighton, NY | Unattended T | 115.00 | 34.50 | |
| 37 | 83 Brighton, NY | Unattended D | 34.50 | 4.16 | |
| 38 | 84 Brighton, NY | Unattended D | 11.00 | 4.16 | |
| 39 | 85 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 40 | 86 Rochester, NY | Unattended D | 34.50 | 4.16 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation<br>(a) | Character of Substation<br>(b) | VOLTAGE (In MVa)<br>Primary<br>(c) | Secondary<br>(d) | Tertiary<br>(e) |
|---|---|---|---|---|---|
| 1 | 88 Irondequoit, NY | Unattended D | 34.50 | 4.16 | |
| 2 | 89 Henrietta, NY | Unattended D | 34.50 | 4.16 | |
| 3 | 89 Henrietta, NY | Unattended T | 115.00 | 12.47 | |
| 4 | 90 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 5 | 91 Brighton, NY | Unattended D | 34.50 | 4.16 | |
| 6 | 92 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 7 | 93 Greece, NY | Unattended D | 34.50 | 4.16 | |
| 8 | 93 Greece, NY | Unattended D | 115.00 | 12.47 | |
| 9 | 95 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 10 | 95 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 11 | 96 Irondequoit, NY | Unattended D | 34.50 | 4.16 | |
| 12 | 97 Irondequoit, NY | Unattended D | 34.50 | 4.16 | |
| 13 | 100 Henrietta, NY | Unattended D | 34.50 | 4.16 | |
| 14 | 101 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 15 | 102 Greece, NY | Unattended D | 34.50 | 4.16 | |
| 16 | 103 Irondequoit, NY | Unattended D | 34.50 | 4.16 | |
| 17 | 104 Rochester, NY | Unattended D | 115.00 | 12.47 | |
| 18 | 106 Pittsford, NY | Unattended D | 34.50 | 12.47 | |
| 19 | 109 Penfield, NY | Unattended D | 34.50 | 12.47 | |
| 20 | 110 Henrietta, NY | Unattended D | 34.50 | 4.16 | |
| 21 | 111 Pittsford, NY | Unattended D | 34.50 | 12.47 | |
| 22 | 112 Greece, NY | Unattended D | 34.50 | 4.16 | |
| 23 | 113 Ogden, NY | Unattended D | 115.00 | 12.47 | |
| 24 | 114 Gates, NY | Unattended D | 34.50 | 4.16 | |
| 25 | 115 Mendon, NY | Unattended D | 34.50 | 12.47 | |
| 26 | 117 E. Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 27 | 117 E. Rochester, NY | Unattended D | 34.50 | 12.47 | |
| 28 | 118 Henrietta, NY | Unattended D | 34.50 | 4.16 | |
| 29 | 120 Macedon, NY | Unattended D | 34.50 | 12.47 | |
| 30 | 120 Macedon, NY | Unattended D | 34.50 | 4.16 | |
| 31 | 121 Macedon, NY | Unattended T | 115.00 | 34.50 | |
| 32 | 122 Perinton, NY | Unattended T | 345.00 | 115.00 | |
| 33 | 124 Penfield, NY | Unattended D | 34.50 | 12.47 | |
| 34 | 124 Penfield, NY | Unattended D | 115.00 | 12.47 | |
| 35 | 125 Victor, NY | Unattended D | 34.50 | 12.47 | |
| 36 | 126 Greece, NY | Unattended D | 34.50 | 12.47 | |
| 37 | 127 Farmington, NY | Unattended D | 34.50 | 12.47 | |
| 38 | 127 Farmington, NY | Unattended T | 115.00 | 34.50 | |
| 39 | 131 Rochester, NY | Unattended D | 34.50 | 11.00 | |
| 40 | 132 Ontario, NY | Unattended D | 34.50 | 12.47 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation<br>(a) | Character of Substation<br>(b) | VOLTAGE (In MVa)<br>Primary<br>(c) | Secondary<br>(d) | Tertiary<br>(e) |
|---|---|---|---|---|---|
| 1 | 136 Webster, NY | Unattended D | 34.50 | 12.47 | |
| 2 | 137 Rochester,NY | Unattended D | 34.50 | 11.50 | |
| 3 | 142 Canandaigua, NY | Unattended D | 34.50 | 12.47 | |
| 4 | 143 Canandaigua, NY | Unattended D | 34.50 | 12.47 | |
| 5 | 144 Canandaigua, NY | Unattended D | 34.50 | 4.16 | |
| 6 | 145 E. Bloomfield, NY | Unattended D | 34.50 | 12.47 | |
| 7 | 146 S. Bristol, NY | Unattended D | 34.50 | 12.47 | |
| 8 | 148 Canandaigua, NY | Unattended D | 34.50 | 4.16 | |
| 9 | 149 Farmington, NY | Unattended D | 34.50 | 4.16 | |
| 10 | 153 Canandaigue, NY | Unattended D | 34.50 | 4.16 | |
| 11 | 154 Victor, NY | Unattended D | 34.50 | 4.16 | |
| 12 | 154 Victor, NY | Unattended D | 34.50 | 12.47 | |
| 13 | 155 Canandaigua, NY | Unattended D | 34.50 | 4.16 | |
| 14 | 156 Manchester, NY | Unattended D | 34.50 | 4.16 | |
| 15 | 158 Mt. Morris, NY | Unattended T | 115.00 | 34.50 | |
| 16 | 160 Mt. Morris, NY | Unattended D | 34.50 | 4.16 | |
| 17 | 163 Canadea, NY | Unattended D | 34.50 | 4.16 | |
| 18 | 167 Geneseo, NY | Unattended D | 34.50 | 4.16 | |
| 19 | 168 Manchester, NY | Unattended D | 115.00 | 12.47 | |
| 20 | 168 Manchester, NY | Unattended T | 115.00 | 34.50 | |
| 21 | 169 Nunda, NY | Unattended D | 34.50 | 4.16 | |
| 22 | 170 Fillmore, NY | Unattended D | 34.50 | 2.40 | |
| 23 | 171 Fillmore, NY | Unattended D | 34.50 | 4.16 | |
| 24 | 173 Bolivar, NY | Unattended D | 34.50 | 4.16 | |
| 25 | 174 Friendship, NY | Unattended D | 34.50 | 4.16 | |
| 26 | 175 Belfast, NY | Unattended D | 34.50 | 4.16 | |
| 27 | 176 Belmont, NY | Unattended D | 34.50 | 4.16 | |
| 28 | 178 Friendship, NY | Unattended D | 115.00 | 34.50 | |
| 29 | 179 Caneadea, NY | Unattended D | 34.50 | 4.16 | |
| 30 | 180 Houghton, NY | Unattended T | 115.00 | 34.50 | |
| 31 | 181 Wolcott, NY | Unattended D | 34.50 | 4.00 | |
| 32 | 184 Portage, NY | Unattended D | 34.50 | 4.00 | |
| 33 | 189 Red Creek, NY | Unattended D | 34.50 | 12.47 | |
| 34 | 192 Wolcott, NY | Unattended D | 34.50 | 4.16 | |
| 35 | 193 Marion, NY | Unattended D | 34.50 | 4.16 | |
| 36 | 194 Victory, NY | Unattended D | 34.50 | 12.47 | |
| 37 | 195 Sodus, NY | Unattended D | 34.50 | 12.47 | |
| 38 | 198 Martville, NY | Unattended D | 34.50 | 12.47 | |
| 39 | 199 Clyde, NY | Unattended T | 115.00 | 34.50 | |
| 40 | 202 Williamson, NY | Unattended D | 34.50 | 12.47 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation (a) | Character of Substation (b) | VOLTAGE (In MVa) Primary (c) | Secondary (d) | Tertiary (e) |
|---|---|---|---|---|---|
| 1 | 204 Ontario, NY | Unattended T | 115.00 | 34.50 | |
| 2 | 205 Ontario Ctr, NY | Unattended D | 34.50 | 4.00 | |
| 3 | 205 Ontario Ctr, NY | Unattended D | 34.50 | 12.47 | |
| 4 | 207 Williamson, NY | Unattended D | 34.50 | 4.16 | |
| 5 | 208 Williamson, NY | Unattended D | 34.50 | 4.16 | |
| 6 | 209 Sodus Point, NY | Unattended D | 34.50 | 4.16 | |
| 7 | 210 Sodus, NY | Unattended D | 34.50 | 4.16 | |
| 8 | 212 Sodus, NY | Unattended D | 34.50 | 4.16 | |
| 9 | 214 Williamson, NY | Unattended D | 34.50 | 4.16 | |
| 10 | 215 Huron, NY | Unattended D | 34.50 | 4.16 | |
| 11 | 216 Sodus, NY | Unattended T | 115.00 | 34.50 | |
| 12 | 217 Huron, NY | Unattended D | 34.50 | 12.47 | |
| 13 | 218 S. Butler, NY | Unattended D | 34.50 | 12.47 | |
| 14 | 230 Walworth, NY | Unattended D | 115.00 | 12.47 | |
| 15 | 246 Geneseo, NY | Unattended D | 34.50 | 4.16 | |
| 16 | 247 Rushford, NY | Unattended D | 34.50 | 4.16 | |
| 17 | 251 Brighton, NY | Unattended D | 115.00 | 11.50 | |
| 18 | 262 Rochester, NY | Unattended T | 115.00 | 34.50 | |
| 19 | 415 Webster, NY | Unattended D | 34.50 | 4.16 | |
| 20 | 416 Rochester NY | Unattended D | 34.50 | 12.47 | |
| 21 | 417 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 22 | 418 Rochester , NY | Unattended D | 115.00 | 12.47 | |
| 23 | 419 Henrietta, NY | Unattended D | 115.00 | 12.47 | |
| 24 | 420 Rochester, NY | Unattended D | 34.50 | 4.16 | |
| 25 | 421 Greece, NY | Unattended D | 34.50 | 12.47 | |
| 26 | 424 Webster, NY | Unattended D | 34.50 | 12.47 | |
| 27 | 424 Webster, NY | Unattended T | 115.00 | 34.50 | |
| 28 | 428 Canandaigua, NY | Unattended D | 34.50 | 12.47 | |
| 29 | See Footnote | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation (In Service) (In MVa) (f) | Number of Transformers In Service (g) | Number of Spare Transformers (h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i) | Number of Units (j) | Total Capacity (In MVa) (k) | Line No. |
|---|---|---|---|---|---|---|
| 27 | 2 | | | | | 1 |
| 10 | 1 | | | | | 2 |
| 10 | 2 | | Capacitor/Phase shif | 2 | 6 | 3 |
| 2 | 1 | | | | | 4 |
| 25 | 2 | 1 | Capacitor | 4 | | 5 |
| 300 | 4 | 1 | | | | 6 |
| 13 | 2 | | | | | 7 |
| 13 | 2 | | | | | 8 |
| 13 | 2 | | | | | 9 |
| 13 | 2 | | | | | 10 |
| 13 | 2 | | Capacitor | 1 | | 11 |
| 20 | 1 | | | | | 12 |
| 13 | 2 | | | | | 13 |
| 6 | 1 | | | | | 14 |
| 148 | 2 | | Ground Bank | 4 | | 15 |
| 33 | 1 | | Capacitor | 1 | | 16 |
| 37 | 7 | | Regulator | 4 | | 17 |
| 61 | 1 | | | | | 18 |
| 151 | 2 | | | | | 19 |
| 28 | 3 | 1 | | | | 20 |
| 6 | 1 | | Capacitor | 2 | 18 | 21 |
| 13 | 2 | | Ground Bank | 3 | | 22 |
| 6 | 1 | | | | | 23 |
| 21 | 2 | | | | | 24 |
| 6 | 1 | | Capacitor | 1 | | 25 |
| 17 | 2 | | | | | 26 |
| 57 | 2 | | | | | 27 |
| 75 | 1 | | | | | 28 |
| 7 | 2 | | Capacitor | 4 | | 29 |
| 78 | 3 | | | | | 30 |
| 12 | 2 | | | | | 31 |
| 34 | 3 | | | | | 32 |
| 9 | 1 | | | | | 33 |
| 10 | 1 | | | | | 34 |
| 24 | 3 | | Capacitor | 5 | 7 | 35 |
| 112 | 2 | | | | | 36 |
| 530 | 5 | | | | | 37 |
| 13 | 2 | | | | | 38 |
| 7 | 1 | | | | | 39 |
| 13 | 2 | | | | | 40 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report (Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation (In Service) (In MVa) (f) | Number of Transformers In Service (g) | Number of Spare Transformers (h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT: Type of Equipment (i) | Number of Units (j) | Total Capacity (In MVa) (k) | Line No. |
|---|---|---|---|---|---|---|
| 12 | 1 | | | | | 1 |
| 10 | 2 | | | | | 2 |
| 17 | 2 | | Capacitor | 3 | | 3 |
| 112 | 2 | | | | | 4 |
| 56 | 2 | 1 | | | | 5 |
| 57 | 4 | 2 | Capacitor | 1 | | 6 |
| 12 | 2 | | Capacitor | 1 | | 7 |
| 6 | 1 | | | | | 8 |
| 14 | 3 | | | | | 9 |
| 22 | 1 | | | | | 10 |
| 43 | 2 | | Capacitor | 2 | | 11 |
| 223 | 2 | | | | | 12 |
| 7 | 1 | | | | | 13 |
| 4 | 1 | 1 | | | | 14 |
| 21 | 2 | | | | | 15 |
| 17 | 2 | | | | | 16 |
| 5 | 1 | | Regulator | 1 | | 17 |
| 18 | 2 | | | | | 18 |
| 21 | 2 | | | | | 19 |
| 12 | 3 | | Capacitor | 2 | 86 | 20 |
| 23 | 1 | | | | | 21 |
| 36 | 1 | | | | | 22 |
| 13 | 2 | | | | | 23 |
| 23 | 1 | 1 | | | | 24 |
| 45 | 2 | | | | | 25 |
| 25 | 2 | | | | | 26 |
| 13 | 2 | | | | | 27 |
| 7 | 1 | | | | | 28 |
| 6 | 1 | | | | | 29 |
| 13 | 2 | | | | | 30 |
| 13 | 2 | | | | | 31 |
| 56 | 1 | | Capacitor | 2 | | 32 |
| 1120 | 4 | 2 | | | | 33 |
| 21 | 2 | | | | | 34 |
| 22 | 2 | 3 | Capacitor | 2 | 81 | 35 |
| 78 | 2 | 1 | | | | 36 |
| 21 | 2 | | | | | 37 |
| 7 | 1 | | | | | 38 |
| 17 | 2 | | | | | 39 |
| 13 | 2 | | | | | 40 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation (In Service) (In MVa)<br>(f) | Number of Transformers In Service<br>(g) | Number of Spare Transformers<br>(h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT<br>Type of Equipment<br>(i) | Number of Units<br>(j) | Total Capacity (In MVa)<br>(k) | Line No. |
|---|---|---|---|---|---|---|
| 11 | 1 | | | | | 1 |
| 13 | 2 | | | | | 2 |
| 22 | 1 | | | | | 3 |
| 7 | 1 | | | | | 4 |
| 14 | 2 | | | | | 5 |
| 7 | 1 | | | | | 6 |
| 6 | 1 | | | | | 7 |
| 23 | 1 | | | | | 8 |
| 29 | 3 | | Capacitor | 1 | 3 | 9 |
| 36 | 1 | | | | | 10 |
| 11 | 1 | | | | | 11 |
| 11 | 1 | | | | | 12 |
| 11 | 1 | | | | | 13 |
| 11 | 1 | | | | | 14 |
| 11 | 1 | | | | | 15 |
| 21 | 2 | | | | | 16 |
| 62 | 2 | | | | | 17 |
| 22 | 1 | | | | | 18 |
| 28 | 2 | | | | | 19 |
| 7 | 1 | | | | | 20 |
| 14 | 1 | | | | | 21 |
| 14 | 2 | | | | | 22 |
| 22 | 1 | | Capacitor | 1 | | 23 |
| 7 | 1 | | | | | 24 |
| 14 | 1 | | | | | 25 |
| 6 | 1 | | | | | 26 |
| 22 | 1 | | | | | 27 |
| 5 | 1 | | | | | 28 |
| 7 | 1 | | Capacitor | 1 | | 29 |
| 3 | 1 | | Capacitor | 1 | | 30 |
| 56 | 1 | | Capacitor | 1 | | 31 |
| 1344 | 3 | 1 | Capacitor | 1 | | 32 |
| 23 | 1 | | | | | 33 |
| 422 | 5 | | Phase Shifter | 2 | | 34 |
| 45 | 2 | | Capacitor | 1 | | 35 |
| 22 | 1 | | | | | 36 |
| 14 | 1 | | Capacitor | 2 | | 37 |
| 75 | 1 | | | | | 38 |
| 25 | 2 | | | | | 39 |
| 14 | 1 | | | | | 40 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation (In Service) (In MVa) (f) | Number of Transformers In Service (g) | Number of Spare Transformers (h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i) | Number of Units (j) | Total Capacity (In MVa) (k) | Line No. |
|---|---|---|---|---|---|---|
| 45 | 2 | | | | | 1 |
| 75 | 3 | | Phase Shifter | 1 | | 2 |
| 36 | 2 | | | | | 3 |
| 14 | 1 | | | | | 4 |
| 7 | 1 | | | | | 5 |
| 14 | 1 | 1 | | | | 6 |
| 14 | 1 | | | | | 7 |
| 6 | 1 | | | | | 8 |
| 5 | 1 | | Regulator | 1 | | 9 |
| 7 | 1 | | | | | 10 |
| 4 | 1 | | | | | 11 |
| 14 | 1 | | | | | 12 |
| 7 | 1 | | Regulator | 1 | | 13 |
| 7 | 2 | | | | | 14 |
| 40 | 2 | 1 | | | | 15 |
| 1 | 3 | 1 | | | | 16 |
| 5 | 3 | | | | | 17 |
| 10 | 2 | | | | | 18 |
| 22 | 1 | | Capacitor | 2 | | 19 |
| 112 | 2 | 1 | | | | 20 |
| 4 | 1 | | | | | 21 |
| 3 | 3 | 1 | | | | 22 |
| 13 | 3 | 1 | | | | 23 |
| 10 | 3 | 1 | | | | 24 |
| 5 | 3 | 1 | | | | 25 |
| 5 | 3 | 1 | | | | 26 |
| 7 | 2 | | | | | 27 |
| 3 | 1 | | | | | 28 |
| 9 | 3 | | | | | 29 |
| 56 | 1 | | | | | 30 |
| 4 | 1 | | Capacitor | 2 | | 31 |
| 5 | 3 | | | | | 32 |
| 11 | 1 | | | | | 33 |
| 2 | 3 | | | | | 34 |
| 4 | 1 | | | | | 35 |
| 10 | 1 | | Capacitor | 1 | | 36 |
| 6 | 1 | | | | | 37 |
| 11 | 1 | | Capacitor | 1 | | 38 |
| 56 | 1 | | | | | 39 |
| 7 | 1 | | | | | 40 |

| Name of Respondent<br>Rochester Gas and Electric Corporation | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2019/Q4 |
|---|---|---|---|

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation (In Service) (In MVa)<br>(f) | Number of Transformers In Service<br>(g) | Number of Spare Transformers<br>(h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT: Type of Equipment<br>(i) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT: Number of Units<br>(j) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT: Total Capacity (In MVa)<br>(k) | Line No. |
|---|---|---|---|---|---|---|
| 50 | 2 | | Capacitor/Regulator | 3 | | 1 |
| 6 | 1 | | | | | 2 |
| 6 | 1 | | | | | 3 |
| 5 | 3 | 3 | | | | 4 |
| 11 | 3 | | | | | 5 |
| 4 | 1 | | | | | 6 |
| 5 | 1 | | | | | 7 |
| 5 | 3 | | | | | 8 |
| 4 | 1 | | | | | 9 |
| 5 | 3 | | Regulator | 1 | | 10 |
| 56 | 1 | | | | | 11 |
| 7 | 1 | | | | | 12 |
| 14 | 1 | | Capacitor | 1 | | 13 |
| 22 | 1 | | | | | 14 |
| 7 | 1 | | | | | 15 |
| 5 | 3 | | | | | 16 |
| 37 | 3 | | | | | 17 |
| 56 | 1 | | | | | 18 |
| 21 | 2 | | | | | 19 |
| 21 | 2 | 1 | | | | 20 |
| 7 | 1 | | | | | 21 |
| 134 | 4 | | | | | 22 |
| 75 | 2 | | | | | 23 |
| 11 | 1 | | | | | 24 |
| 45 | 2 | | | | | 25 |
| 23 | 1 | | Capacitor | 1 | 10 | 26 |
| 223 | 2 | | | | | 27 |
| 14 | 1 | | | | | 28 |
| | | | | | | 29 |
| | | | | | | 30 |
| | | | | | | 31 |
| | | | | | | 32 |
| | | | | | | 33 |
| | | | | | | 34 |
| | | | | | | 35 |
| | | | | | | 36 |
| | | | | | | 37 |
| | | | | | | 38 |
| | | | | | | 39 |
| | | | | | | 40 |

| Name of Respondent | This Report is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) X An Original<br>(2) _ A Resubmission | / / | 2019/Q4 |

FOOTNOTE DATA

***Schedule Page: 426.4 Line No.: 29 Column: a***

| RGE Transformers 2019 | Column Label | | |
|---|---|---|---|
| | ≥10,000 | <10,000 | Grand Total |
| Unattended D | 200 | 85 | 285 |
| Unattended T | 43 | | 43 |
| **Grand Total** | **243** | **85** | **328** |
| | | | |
| **RGE MVA 2019** | **Column Label** | | |
| | ≥10,000 | <10,000 | Grand Total |
| Unattended D | 3106 | 325 | 3431 |
| Unattended T | 4888 | | 4888 |
| **Grand Total** | **7994** | **325** | **8319** |
| | | | |
| **RGE Substation 2019** | **Column Label** | | |
| **Row Labels** | <10,000 | ≥10,000 | Grand Total |
| Unattended D | 46 | 88 | 134 |
| Unattended T | | 9 | 9 |
| Unattended T/D | | 12 | 12 |
| **Grand Total** | **46** | **109** | **155** |

***Schedule Page: 426.4 Line No.: 29 Column: f***

After reviewing the in-service substations' capacity values reported on Pages 426-427, the Respondent made appropriate changes to the substation values as needed.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Rochester Gas and Electric Corporation | (1) [X] An Original<br>(2) [ ] A Resubmission | / / | End of 2019/Q4 |

## TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is $250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

| Line No. | Description of the Non-Power Good or Service (a) | Name of Associated/Affiliated Company (b) | Account Charged or Credited (c) | Amount Charged or Credited (d) |
|---|---|---|---|---|
| 1 | **Non-power Goods or Services Provided by Affiliated** | | | |
| 2 | Support Services | Iberdrola Financiacion SA | various | 328,777 |
| 3 | Support Services | IB. Distrib. Electrica SA | various | 27,759 |
| 4 | Other Services | AVANGRID, Inc. | various | 770,848 |
| 5 | Corporate Services | AVANGRID Service Company | various | 39,796,399 |
| 6 | Support Services | New York State Electric & Gas | various | 9,831,443 |
| 7 | Support Services | Central Maine Power Company | various | 1,028,120 |
| 8 | Other Services | AVANGRID Management Company | various | 16,452 |
| 9 | Other Services | The United Illuminating Company | various | 1,454,169 |
| 10 | Other Services | Connecticut Natural Gas Corporation | various | 5,535 |
| 11 | Other Services | The Southern Connecticut Gas Company | various | 597 |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | **Non-power Goods or Services Provided for Affiliate** | | | |
| 21 | | | | |
| 22 | Support Services | AVANGRID Service Company | various | 1,562,591 |
| 23 | Support Services | AVANGRID Networks, Inc. | various | 11,013 |
| 24 | Support Services | New York State Electric & Gas | various | 10,344,868 |
| 25 | Support Services | Central Maine Power Company | various | 892,413 |
| 26 | Other Services | AVANGRID Management Company | various | 765,245 |
| 27 | Support Services | Maine Natural Gas Corporation | various | 2,772 |
| 28 | Other Services | UIL Holdings Corporation | various | 2,045 |
| 29 | Other Services | The United Illuminating Company | various | 252,306 |
| 30 | Other Services | Connecticut Natural Gas Corporation | various | 259,713 |
| 31 | Other Services | The Southern Connecticut Gas Company | various | 240,056 |
| 32 | Other Services | Berkshire Gas Corporation | various | 60,959 |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 37 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |
| | | | | |