

IGSC  
Statement No. 16  
to PSC No. 16- Gas

**ROCHESTER GAS AND ELECTRIC CORPORATION**  
Rochester, New York  
**INCREMENTAL GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE**  
**Effective: February 1, 2009**  
Applicable to Service Classification No. 1 and 8 of PSC No. 16 - Gas  
(Issued under Authority of 16 NYCRR 720-6.5)

**Weighted Average Cost of Gas**Per Therm

The average cost of gas per therm determined on January 29, 2009  
by applying rates and charges of the Company's natural gas suppliers  
in effect February 1, 2009, to quantities of gas supplied to the Company during  
the 12 months ended December 31, 2008 is

Weighted Average Commodity Cost	\$0.806314
Weighted Average Demand Cost	<u>\$0.101452</u>
Gross Weight Average Cost of Gas	\$0.907766
Factor of Adjustment	<u>1.0147</u>
	\$0.921110
Winter Incremental Gas Supply Cost -125%	\$1.151388

**Adjustments to Weighted average cost of gas**

Interdepartmental Sales Credit	(\$0.000038)
Annual Reconciliation of Gas Costs - January 1,2009 to December 31, 2009	\$0.000000
Interim Gas Cost Reconciliation	\$0.000000
Pipeline Refunds	\$0.000000
Refund of Revenues Collected for PSC transition and Balancing Charges From SC #3,SC#5, and SC#7	(\$0.005447)
Research and Development	\$0.000590

**Incremental Gas Supply Charge**

For the month of February 2009, and for each month thereafter, until changed,  
the Gas Supply Charge per therm, under Service Classification No. 1 is

\$1.146493

**Merchant Function Charge**

\$0.041503

**Total Cost of Gas**

\$1.187996