

P.S.C. No. 16 - Gas
Company: Rochester Gas and Electric Corporation

Statement Type: GSC
Statement No. 15

GAS SUPPLY CHARGE and MERCHANT FUNCTION CHARGE

Effective **June 29, 2004**

Applicable to Service Classification No. 1 of
PSC No. 16 – Gas

(Issued under Authority of 16 NYCRR 270.55 and 270.57)

Average Cost of Gas

The average cost of gas per therm (as defined in Rule 4.H.2) determined on **June 24, 2004**, by applying rates and charges of the Company's natural gas suppliers in effect **June 15, 2004**, to quantities of gas supplied to the company during the 12 months ended **May 31, 2004** is

\$0.802226

Factor of Adjustment

Total Cost of Gas **1.0135**

0.802226 X 1.0135 factor of adjustment

\$0.813056

Inter-Departmental Sales Credit

The inter-departmental sales credit per therm is

-\$0.000048

Gas Cost Reconciliation

Pursuant to Rule 4.H.5 of PSC No. 16 – Gas, the surcharge per therm applicable during the period January 1, 2004 thru December 31, 2004 is

-\$0.008044

Gas Cost Reconciliation- Interim

Pursuant to Rule 4.H.6 of PSC No. 16 – Gas, the credit per therm applicable during the period ending August 31, 2004 is

\$0.000000

Gas Cost Refund

By reason of gas pipeline refund of overcharges, the Gas Cost Refund per therm is

\$0.000000

Capacity Cost Incentive

Pursuant to the Commission Order issued February 28, 2001 in case 98-G-1589

\$0.004775

Refund of Revenues Collected for PSC Transition Costs from SC#3 and SC #5

The refund per therm applicable during the period is

-\$0.007786

Research and Development Surcharge

Pursuant to the Commission Order issued April 21, 2000 in Case 99-G-1369

\$0.000470

Gas Supply Charge (Net Cost of Gas)

For the billing month of **July 2004**, and for each billing month thereafter, until changed, the Net Cost of Gas per therm, under Service Classification No. 1 is

\$0.802423

Merchant Function Charge

\$0.042474

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