

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

Statement Type: GSC
Statement No. 19

GAS SUPPLY CHARGE and MERCHANT FUNCTION CHARGE

Effective **October 29, 2004**
Applicable to Service Classification No. 1 of
PSC No. 16 – Gas
(Issued under Authority of 16 NYCRR 720-6.5)

Weighted Average Cost of Gas

The average cost of gas per therm (as defined in Rule 4.H.2) determined on **October 26, 2004**, by applying rates and charges of the Company's natural gas suppliers in effect **October 15, 2004**, to quantities of gas supplied to the company during the 12 months ended **September 30, 2004** is \$0.836233

Factor of Adjustment

Weighted Average Cost of Gas including losses **1.0135**
0.836233 X 1.0135 factor of adjustment \$0.847522

Inter-Departmental Sales Credit

The inter-departmental sales credit per therm is -\$0.000048

Annual Gas Cost Reconciliation

Pursuant to Rule 4.H.5 of PSC No. 16 – Gas, the refund 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, SC#7

The refund per therm applicable during the period is -\$0.007602

Research and Development Surcharge

Pursuant to the Commission Order issued April 21, 2000 in Case 99-G-1369 \$0.000510

Gas Supply Charge

For the billing month of **November 2004**, and for each billing month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is \$0.837113

Merchant Function Charge

\$0.049042

Total Cost of Gas (Gas Supply Charge & Merchant Function Charge)

\$0.886155

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