

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

Statement Type: GCA
Statement No. 1

GAS COST CALCULATION
Effective May 30, 2003
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.3) determined on May 27, 2003, by applying rates and charges of the Company's natural gas suppliers in effect May 15, 2003, to quantities of gas supplied to the company during the 12 months ended April 30, 2003 is

Factor of Adjustment

Total Cost of Gas 1.0128
0.714859 X 1.0128 factor of adjustment \$0.724009

Inter-Departmental Sales Credit

The inter-departmental sales credit per therm is -\$0.000049

Gas Cost Reconciliation

Pursuant to Rule 4.H.7 of PSC No. 16 – Gas, the credit per therm applicable during the period January 1, 2003 thru December 31, 2003 is \$0.001242

Gas Cost Reconciliation- Interim

Pursuant to Rule 4.H.7 of PSC No. 16 – Gas, the credit per therm applicable during the period April 1, 2003 thru August 31, 2003 is -\$0.038128

Revenue Requirement Surcharge

The surcharge per therm applicable during this period is \$0.004005

Gas Cost Refund

By reason of gas pipeline refund of overcharges, the Gas Cost Refund per therm is -\$0.001250

Capacity Cost Incentive

Pursuant to the Commission Order issued February 28, 2001 in case 98-G-1589 \$0.004946

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

The refund per therm applicable during the period is -\$0.006270

Research and Development Surcharge

Pursuant to the Commission Order issued April 21, 2000 in Case 99-G-1369 \$0.000470

Back out Credit Surcharge

Pursuant to Rule 4.H.10 of PSC No. 16 - Gas, the surcharge per therm is \$0.004029

Net Cost of Gas

For the billing month of June 2003, and for each billing month thereafter, until changed, the Net Cost of Gas per therm, under Service Classification No. 1 is **\$0.693004**

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