

PSC No. 16 Gas  
Rochester Gas and Electric Corporation  
Initial Effective Date: October 1, 2012

IGSC  
Statement No.62

## INCREMENTAL GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE

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 September 26, 2012  
by applying rates and charges of the Company's natural gas suppliers  
in effect October 2012, to quantities of gas supplied to the Company during  
the 12 months ended August 31, 2012 is

Weighted Average Commodity Cost	\$0.298100
Weighted Average Demand Cost	<u>\$0.149814</u>
Gross Weight Average Cost of Gas	\$0.447914
Factor of Adjustment	<u>1.0100</u>
	\$0.452393
Incremental Gas Supply Cost	\$0.497632

### Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000047)
Annual Reconciliation of Gas Costs - January 1, 2012 to December 31, 2012	\$0.015391
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	(\$0.001589)
Research and Development	\$0.000630
Mendon Gate Station Heater Fuel Costs	\$0.000102

### Incremental Gas Supply Charge

For the month of October 2012, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.512119
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### Merchant Function Charge

Residential Customers	\$0.043989
Non Residential Customers	\$0.036364

### Total Cost of Gas

Residential Customers	\$0.556108
Non Residential Customers	\$0.548483