

PSC No. 16 Gas
Rochester Gas and Electric Corporation
Initial Effective Date: January 1, 2013

IGSC
Statement No.65

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 December 28, 2012
by applying rates and charges of the Company's natural gas suppliers
in effect January 2013, to quantities of gas supplied to the Company during
the 12 months ended November 30,2012 is

Weighted Average Commodity Cost	\$0.329123
Weighted Average Demand Cost	<u>\$0.132426</u>
Gross Weight Average Cost of Gas	\$0.461549
Factor of Adjustment	<u>1.0100</u>
	\$0.466164
Incremental Gas Supply Cost	\$0.582705

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000047)
Annual Reconciliation of Gas Costs - January 1, 2012 to December 31, 2012	\$0.012575
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	(\$0.001623)
Research and Development	\$0.000630
Mendon Gate Station Heater Fuel Costs	\$0.000112

Incremental Gas Supply Charge

For the month of January 2013, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.594352
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Merchant Function Charge

Residential Customers	\$0.050620
Non Residential Customers	\$0.042817

Total Cost of Gas

Residential Customers	\$0.644972
Non Residential Customers	\$0.637169