

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

IGSC
Statement No.59

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 June 28, 2012
by applying rates and charges of the Company's natural gas suppliers
in effect July 2012, to quantities of gas supplied to the Company during
the 12 months ended May 31, 2012 is

Weighted Average Commodity Cost	\$0.346800
Weighted Average Demand Cost	<u>\$0.154054</u>
Gross Weight Average Cost of Gas	\$0.500854
Factor of Adjustment	<u>1.0100</u>
	\$0.505863
Incremental Gas Supply Cost	\$0.556449

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000046)
Annual Reconciliation of Gas Costs - January 1, 2012 to December 31, 2012	\$0.015391
Interim Gas Cost Reconciliation	\$0.063059
Pipeline Refunds	\$0.000000
Refund of Revenues Collected for PSC transition and Balancing Charges From SC #3, SC#5, and SC#7	(\$0.001575)
Research and Development	\$0.000630
Mendon Gate Station Heater Fuel Costs	\$0.000114

Incremental Gas Supply Charge

For the month of July 2012, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.634022
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Merchant Function Charge

Residential Customers	\$0.039813
Non Residential Customers	\$0.032308

Total Cost of Gas

Residential Customers	\$0.673835
Non Residential Customers	\$0.666330