

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

IGSC
Statement No.60

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 July 27,2012
by applying rates and charges of the Company's natural gas suppliers
in effect August 2012, to quantities of gas supplied to the Company during
the 12 months ended June 30, 2012 is

Weighted Average Commodity Cost	\$0.337100
Weighted Average Demand Cost	<u>\$0.153130</u>
Gross Weight Average Cost of Gas	\$0.490230
Factor of Adjustment	<u>1.0100</u>
	\$0.495132
Incremental Gas Supply Cost	\$0.544645

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	(\$0.001576)
Research and Development	\$0.000630
Mendon Gate Station Heater Fuel Costs	\$0.000113

Incremental Gas Supply Charge

For the month of August 2012, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.622216
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Merchant Function Charge

Residential Customers	\$0.039621
Non Residential Customers	\$0.032250

Total Cost of Gas

Residential Customers	\$0.661837
Non Residential Customers	\$0.654466