

**PSC No. 16 Gas****Rochester Gas and Electric Corporation**

Initial Effective Date: March 1, 2012

Issued in compliance with order in Case No. 09-G-0718 dated September 21, 2010

MFC  
Statement No.18**MERCHANT FUNCTION CHARGE STATEMENT**Applicable to Service Classification No. 1, 6 and 8 of PSC No. 16 - Gas  
(Issued under Authority of 16 NYCRR 720-6.5)

	<b>Residential Customers \$ Per Therm</b>	<b>Non Residential Customers \$ Per Therm</b>
Monthly Gas Supply Charge	\$ 0.562862	\$ 0.562862
Uncollectible Factor	1.9213%	0.5818%
Uncollectible Charge ( Monthly Gas Supply 1 Charge * Uncollectible Factor)	0.010814	0.003275
2 Gas Storage Inventory Carrying Charge	0.003810	0.003810
3 Working Capital - Commodity Hedges	0.004083	0.004083
4 Credit & Collections and Call Center	0.010918	0.010918
5 Administrative Charge	0.012966	0.012966
6 Prior Period Reconciliation	(0.002729)	(0.002729)
<b>Total MFC Rate</b>	<b>\$ 0.039862</b>	<b>\$ 0.032323</b>

Dated: September 28, 2010

Issued By: James A. Lahtinen, Vice President-Rates &amp; Regulatory Economics, Binghamton, New York