

IGSC
Statement No.39
to PSC No. 16- Gas

ROCHESTER GAS AND ELECTRIC CORPORATION
Rochester, New York
INCREMENTAL GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE
Effective: November 1, 2010
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 GasPer Therm

The average cost of gas per therm determined on October 28, 2010 by applying rates and charges of the Company's natural gas suppliers in effect November 2010, to quantities of gas supplied to the Company during the 12 months ended September 30, 2010 is

Weighted Average Commodity Cost	\$0.491951
Weighted Average Demand Cost	<u>\$0.124769</u>
Gross Weight Average Cost of Gas	\$0.616720
Factor of Adjustment	<u>1.0136</u>
	\$0.625107
Incremental Gas Supply Cost	\$0.781384

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000045)
Annual Reconciliation of Gas Costs - January 1, 2009 to December 31, 2009	\$0.021446
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	(\$0.001612)
Research and Development	\$0.000640
Mendon Gate Station Heater Fuel Costs	\$0.000277

Incremental Gas Supply Charge

For the month of November 2010, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is

\$0.802090

Merchant Function Charge

Residential Customers	\$0.049379
Non Residential Customers	\$0.038673

Total Cost of Gas

Residential Customers	\$0.851469
Non Residential Customers	\$0.840763