PSC No. 16 Gas Rochester Gas and Electric Corporation Initial Effective Date: October 1, 2018 IGSC Statement No.134

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)

<u>Weighted Average Cost of Gas</u> The average cost of gas per therm determined on September 27, 2018 by applying rates and charges of the Company's natural gas suppliers in effect October 2018, to quantities of gas supplied to the Company during the 12 months ended December 31,2018 is		<u>Per Therm</u>
Weighted Average Commodity Cos Weighted Average Demand Cost	t Gross Weight Average Cost of Gas Factor of Adjustment	\$0.248818 \$0.103045 \$0.351863 <u>1.0044</u> \$0.353411
	Incremental Gas Supply Cost	\$0.388752
Adjustments to Weighted average cost of gas		
Interdepartmental Sales Credit		(\$0.000006)
Annual Reconciliation of Gas Costs - January 1, 2017 to December 31, 2017		\$0.004973
Interim Gas Cost Reconciliation		\$0.000000
SPA adjustment - January 1, 2018 to December 31, 2018		\$0.001497
Refund of Revenues Collected for F	PSC transition and Balancing Charges From SC #3,SC#5, and SC#7	(\$0.007006)
Research and Development		\$0.000540
Mendon Gate Station Heater Fuel Costs		\$0.000073
Incremental Gas Supply Charge For the month of October 2018, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is		\$0.388823
<u>Merchant Function Charge</u> Residential Customers Non Residential Customers		\$0.022803 \$0.018050
<u>Total Cost of Gas</u> Residential Customers Non Residential Customers		\$0.411626 \$0.406873