

PSC No. 16 Gas
Rochester Gas and Electric Corporation
Initial Effective Date: July 1, 2018

IGSC
Statement No.131

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, 2018 by applying rates and charges of the Company's natural gas suppliers in effect July 2018, to quantities of gas supplied to the Company during the 12 months ended December 31, 2018 is

| | |
|----------------------------------|---------------|
| Weighted Average Commodity Cost | \$0.241994 |
| Weighted Average Demand Cost | \$0.103131 |
| Gross Weight Average Cost of Gas | \$0.345125 |
| Factor of Adjustment | <u>1.0044</u> |
| | \$0.346644 |
| Incremental Gas Supply Cost | \$0.381308 |

Adjustments to Weighted average cost of gas

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|---|--------------|
| Interdepartmental Sales Credit | (\$0.000007) |
| 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 PSC transition and Balancing Charges From SC #3, SC#5, and SC#7 | (\$0.007305) |
| Research and Development | \$0.000560 |
| Mendon Gate Station Heater Fuel Costs | \$0.000073 |

Incremental Gas Supply Charge

For the month of July 2018, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is

\$0.381099

Merchant Function Charge

| | |
|---------------------------|------------|
| Residential Customers | \$0.022682 |
| Non Residential Customers | \$0.018024 |

Total Cost of Gas

| | |
|---------------------------|------------|
| Residential Customers | \$0.403781 |
| Non Residential Customers | \$0.399123 |