Received: 11/16/2016 Status: CANCELLED

PSC No. 18 Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: December 01, 2016

Issued in compliance with order in Case No. 15-E-0285 dated June 15, 2016

Statement Type: MFC

StatementiNe Date: 12/01/2016

Merchant Function Charge Statement

For customers taking service under the RG&E Supply Service (RSS) rate or Hourly Pricing with supply provided by RG&E, pursuant to RG&E's Supply Service Options, General Information Section 12 of Schedule PSC No. 19 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Non Demand billed (Hedged) <u>\$ per kWh</u>	Non Demand billed (Non-Hedged) \$ per kWh	Demand billed \$ per kWh
Monthly Electric Supply Cost	\$0.041278	\$0.045428	\$0.039949
Uncollectible Factor	3.393500%	3.393500%	0.242000%
1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor)	\$0.001401	\$0.001542	\$0.000097
2 Working Capital - Purchase Power	\$0.000136	\$0.000136	\$0.000136
3 Working Capital - Commodity Hedges	\$0.000820	-	-
4 Credit & Collections and Call Center	\$0.000639	\$0.000639	\$0.000639
5 Administrative Charge	\$0.001773	\$0.001773	\$0.001773
6 Prior Period Reconciliation	\$0.000573	\$0.000573	\$0.000206
Total MFC Rate per kWh	\$0.005342	\$0.004663	\$0.002851

Service Classification Nos. 1, 2 and 6 will be billed the "Non-Demand billed (hedged)" MFC rate.

 $All\ Street\ Lighting\ Service\ Classifications\ (\ Nos.\ 1,\ 2,\ and\ 3)\ will\ be\ billed\ the\ "Non-Demand\ billed\ (hedged)"\ MFC\ rate.$

Service Classification Nos. 4 will be billed the "Non-Demand billed (non-hedged)" MFC rate.

Service Classification Nos. 3, 7, 8 and 9 will be billed the "Demand billed" MFC rate.

For Service Classification Nos. 10, 11, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.