

PSC No. 16 Gas
Rochester Gas and Electric Corporation
Initial Effective Date: December 1, 2016

IGSC
Statement No.112

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 November 28, 2016 by applying rates and charges of the Company's natural gas suppliers in effect December 2016, to quantities of gas supplied to the Company during the 12 months ended December 31,2016 is

| | | |
|---------------------------------|----------------------------------|---------------|
| Weighted Average Commodity Cost | | \$0.217304 |
| Weighted Average Demand Cost | | \$0.097970 |
| | Gross Weight Average Cost of Gas | \$0.315274 |
| | Factor of Adjustment | <u>1.0044</u> |
| | | \$0.316661 |
| | Incremental Gas Supply Cost | \$0.395826 |

Adjustments to Weighted average cost of gas

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|--|--------------|
| Interdepartmental Sales Credit | (\$0.000029) |
| Annual Reconciliation of Gas Costs - January 1, 2014 to December 31, 2014 | (\$0.004656) |
| 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 | (\$0.008963) |
| Research and Development | \$0.000630 |
| Mendon Gate Station Heater Fuel Costs | \$0.000067 |

Incremental Gas Supply Charge

For the month of December 2016, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is

\$0.382875

Merchant Function Charge

| | |
|---------------------------|------------|
| Residential Customers | \$0.021755 |
| Non Residential Customers | \$0.016287 |

Total Cost of Gas

| | |
|---------------------------|------------|
| Residential Customers | \$0.404630 |
| Non Residential Customers | \$0.399162 |