

**PSC No. 18 Electricity****Rochester Gas and Electric Corporation**

Initial Effective Date: September 01, 2016

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

Statement Type: MFC

Statement No. 73  
Effective Date: 09/01/2016**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<br>(Hedged)<br>\$ per kWh | Non Demand billed<br>(Non-Hedged)<br>\$ per kWh | Demand billed<br>\$ per kWh |
|---|---|---|-----------------------------|
| Monthly Electric Supply Cost  | \$0.042178                                  | \$0.042178                                      | \$0.045304                  |
| Uncollectible Factor  | <u>3.393500%</u>                            | <u>3.393500%</u>                                | <u>0.242000%</u>            |
| 1 Uncollectible Charge ( Monthly Electric Supply Cost * Uncollectible Factor) | \$0.001431                                  | \$0.001431                                      | \$0.000110                  |
| 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   | <u>\$0.000573</u>                           | <u>\$0.000573</u>                               | <u>\$0.000206</u>           |
| <b>Total MFC Rate per kWh</b>   | <b>\$0.005372</b>                           | <b>\$0.004552</b>                               | <b>\$0.002864</b>           |

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.