

PSC No. 16 Gas  
Rochester Gas and Electric Corporation  
Initial Effective Date: September 1, 2014

IGSC  
Statement No.85

## 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

The average cost of gas per therm determined on August 28, 2014 by applying rates and charges of the Company's natural gas suppliers in effect September 2014, to quantities of gas supplied to the Company during the 12 months ended July 31, 2014 is

Per Therm

Weighted Average Commodity Cost		\$0.278460
Weighted Average Demand Cost		<u>\$0.104680</u>
	Gross Weight Average Cost of Gas	\$0.383140
	Factor of Adjustment	<u>1.0100</u>
		\$0.386971
	Incremental Gas Supply Cost	\$0.425668

### Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000024)
Annual Reconciliation of Gas Costs - January 1, 2014 to December 31, 2014	( <b>\$0.002285</b> )
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	(\$0.011566)
Research and Development	\$0.000600
Mendon Gate Station Heater Fuel Costs	\$0.000140

### Incremental Gas Supply Charge

For the month of September 2014, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.412533
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### Merchant Function Charge

Residential Customers	\$0.028474
Non Residential Customers	\$0.022697

### Total Cost of Gas

Residential Customers	\$0.441007
Non Residential Customers	\$0.435230