PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: July 1, 2016 Issued in compliance with Order in Case 15-G-0286, dated June 15, 2016 Leaf No. 76 Revision: 7 Superseding Revision: 5

GENERAL INFORMATION

4. METERING AND BILLING (Cont'd)

H. ADJUSTMENT OF RATES DUE TO CHANGES IN COST OF GAS (Cont'd)

(18) Incremental Gas Supply Charge (IGSC): (Cont'd)

The applicable IGSC, per Therm of usage, shall be charged to customers by prorating the IGSC in effect for heating load during the billing period based on the number of degree days each IGSC was in effect during the billing period. For non-heating load, the applicable IGSC, per Therm of usage shall be charged by prorating the IGSCs in effect during the billing period based on the number of calendar days each IGSC was in effect during the billing period.

Each monthly IGSC may include the Average Cost of Gas, the Inter-Departmental Sales Credit, the Gas Cost Reconciliation, the Gas Cost Reconciliation – Interim, the Pipeline Refund, the Capacity Cost Incentive, the Refund of Revenues Collected for Transition Cost from Service Classification Nos. 3, 5, 7, and 9, the Research and Development Surcharge, the Equivalent Cost of Gas, the Refund of Revenues Collected Under the Provisions of Balancing and Cashout Charges of Service Classification Nos. 3, 5, 7, and 9, revenues collected through the Gas Reliability Surcharge, Heater Charge, and other PSC approved adjustments.

The net cost of gas per therm, computed as provided in the Monthly IGSC Statement, shall become effective commencing (the first day of the month following the computation date,) provided however, that the net cost of gas shall be adjusted whenever there is a change in the pipelines' rates. The net cost of gas shall continue in effect until changed.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York