

December 28, 2006

Honorable Jaclyn A. Brilling, Secretary  
New York State Dept. of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350

Dear Secretary Brilling:

The enclosed statements, issued by Rochester Gas and Electric Corporation ("RG&E" or the "Company"), are transmitted for filing in compliance with the requirements of the Public Service Commission ("PSC") of the State of New York:

P.S.C. No. 16 - Gas

Gas Supply Charge (GSC)	Statement Number 46	Effective: January 1, 2007
Large Transportation Service Rate Adjustment (LTSR)	Statement Number 36	Effective: January 1, 2007
Small Transportation Service Rate Adjustment (STSR)	Statement Number 36	Effective: January 1, 2007

RG&E is initiating a surcharge resulting from the Company's annual reconciliation of gas costs and revenues with this filing in compliance with the Commission's Order Concerning Annual Reconciliation of Gas Costs, issued and effective December 22, 2006.

In compliance with the Commission Order, issued and effective May 20, 2004 in Case 03-G-0766, Order Adopting Provisions of Joint Proposals with Conditions, RG&E is updating the calculation of the Merchant Function Charge (MFC) included in the GSC statement. As stated in the Order beginning January 1, 2005 and each 12-month period thereafter, the gas supply uncollectibles and gas inventory carrying charges calculations, components of the MFC, are to be updated.

RG&E is updating the calculation of the Factor of Adjustment (FA) included in the GSC calculation in compliance with the Commission Order, issued and effective May 20, 2004 in Case 03-G-0766, Order Adopting Provisions of Joint Proposals with Conditions. The FA is to be reset on January 1, 2005 and every year thereafter unless and until a new gas rate plan approved by the Commission becomes effective.

These rates will continue in effect until there are changes in the cost of gas that require modifications.

Very truly yours,  
ROCHESTER GAS AND ELECTRIC CORPORATION

Mark O. Marini  
Manager, Regulatory and Tariffs  
Rates and Regulatory Economics

Enclosures

